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VOLUME NO. 51

ROYAL COMMISSION

ON CRIME

IN ONTARIO

DAILY TRANSCRIPT
OF PROCEEDINGS

Date. Monday, Sept. 24/62

pp 10228 - 10448

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VOLUME 51

INDEX OF WITNESSES

FEELEY, Vincent Bernard
(Resumed)

By Mr. Wilson
(Continuing) 10228
By Mr. MacKinnon.. 10250

A/1/DO'H

MONDAY, SEPTEMBER 24, 1962

---On resuming at 10:10 o'clock a.m.

VINCENT BERNARD FEELEY, resumed

THE COMMISSIONER: You are still under oath.

EXAMINATION BY MR. WILSON (Cont'd):

Q. In Mr. Wintermeyer's speech, Exhibit 3, at page 91, in the right hand column there is a reference to a hunting trip at James Bay. It starts with the paragraph:

" There has been reference in "court to a James Bay hunting trip "which Joseph McDermott was supposed "to have made with two or three "racketeers from the United States. "On September 30,1958 McDermott, "Feeley and six other men arrived at "Moosonee, Ontario, and they were "taken to the James Bay Goose Club. "They departed by air on October 4, "with the exception of one man to "whom I shall refer later."

Possibly I should read the next paragraph as well.

" The other members of the party

"were all from Detroit and are,
"assuming them to be still alive,
"reputed leaders of the Mafia in
"Detroit. The five men were:
" William Tocco."
If I can merely quote the names:
" William Tocco, Anthony Tocco,
"Jack W. Tocco, Vincent Meli, Dominic
"Corrado."
Now, you were present on this hunting trip?

A. Yes, sir.

Q. Would you just tell us how the trip was arranged?

A. Well, sir, as I recall it, McDermott made the reservations for this trip and subsequently we all met. There was some 20 met, had booked reservations onthis trip, met in a suite in the Royal York Hotel. We departed from the Union Station by train to Moosonee.

Q. Had you know any of the five men whose names I have mentioned, before this time?

A. I had met one of them, Dominic Corrado, prior to this.

Q. Under what circumstances had you met Dominic Corrado?

A. Well, sir, he, years ago, used to go to St.Michael's College here in Toronto, and some time during that period of time I met him.

Q. Now, we have had the evidence of David Humphrey, and in his evidence ---

MR. ROSE: Evidence of who?

MR. WILSON: The evidence of David Humphrey.

Q. And at page 3522, Humphrey stated that Billy Giacalone from Detroit seemed to have an interest in the Roseland Club. Now, what do you say as to that statement?

A. I wouldn't know anything about that, sir.

Q. You don't know anything about that?

A. No, sir.

Q. David Humphrey, in his evidence at page 3524-A, says that Dominic Corrado also seemed interested in the Roseland Club but not as interested as Giacalone.

Now, what do you know about Corrado's interest in the Roseland?

A. I have no knowledge of whether he did or didn't have any interest, sir.

Q. Now, Humphrey, at page 3571, was asked at line 17 by the Commissioner:

" Then he had associations

"even outside Ontario, didn't he? "

THE COMMISSIONER: Who had?

MR. WILSON: It is a little difficult to say whether it refers to McDermott alone or both McDermott and Feeley, in the context. The

immediate preceding question and answer relate to both of them. It may well have been an error that "he" might well have been "they".

The answer was:

"The only associations that I know "of are the associations that I "indicated to your lordship earlier "with this fellow Dominic Corrado "and Billy Giacalone."

Q. Now, is Humphrey right in saying McDermott and yourself had prior associations with Giacalone and Corrado?

A. Prior to, sir?

Q. September of 1958.

A. Well, as I said, sir, I met Corrado before. I have no idea what Mr. Humphrey was referring to.

Q. Was it in connection with gambling you had dealings with him before that time?

A. No, sir, it wasn't.

Q. Had you met Giacalone before this time?

A. No, sir.

THE COMMISSIONER: Before what time?

MR. WILSON: September, 1958, was the date of the trip to James Bay.

Q. What was the purpose of this trip to James Bay?

A. Other than a hunting trip, I know

of no purpose. McDermott had been to the Goose camp prior and he was instrumental in organizing it for a return trip. I had never been there before, sir.

Q. At any time during this trip was there any discussion of gambling operations in Ontario?

A. Well, sir, the only thing I could say with regard to gambling was the fact that the Tocco brothers had mentioned that they were interested in the Jockey Club and were principal shareholders.

THE COMMISSIONER: Q. The Ontario Jockey Club?

A. Sir, that is the opinion I was left with.

MR. WILSON: Q. What Jockey Club are you talking about?

THE COMMISSIONER: I just asked him. He said the Ontario Jockey Club. He thought that is what they were talking about.

MR. WILSON: Oh, I am sorry.

THE WITNESS: And other than that, there was some of the party playing gin rummy on the way on the train trip from the Royal York to Moosonee, but other than that, sir, there was no -- I don't recall any discussion about gambling.

MR. WILSON: Q. In Mr. Wintefmeyer's speech, he talks about the five persons being

reputed leaders of the Mafia in Detroit. What knowledge have you of that statement?

A. I have no knowledge whatsoever of that statement, sir.

Q. Well, Mr. Commissioner, these five persons in the investigation, there is no criminal record for any of them.

Now, there was a further person present, I believe, an Arthur B. Monteith, associated with Davidson and Company, the brokers?

A. Yes, sir, he was on the Goose hunting.

Q. Another thing, there was a telegram referred to, not that year and not that trip, but in September of 1960 there was, apparently, a telegram addressed to H.A. Hennessey of the James Bay Goose Club at Moosonee, Ontario, which reads:

"Six hunters, possibly seven
"next week on Tuesday train."

And then it goes on:

"Joe McDermott party of 18 fourth
"week is cancelled Purple Gang in
"trouble. Stop."

What do you know about any proposed hunting trip in the Fall of 1960?

A. It seems to me, sir, that somewhere during the Fall of 1960, maybe it was the late summer, sir, that McDermott and I had a discussion with each other with regards to going

back to the Goose hunt in the early fall.

Q. With this same group?

A. No, I don't think there was anything definite, sir. It never materialized and it was just conversation. I don't recall any specific individual. It seems to me it

A/2 didn't get that far advanced.

Q. Well, what is this reference to the Purple Gang? Do you know of the Purple Gang?

A. No, sir, I do not.

Q. Have you ever heard of them?

A. I have heard the expression, sir.

Q. And the expression used in what connection?

A. There again, I couldn't pinpoint that, sir.

Q. What type of gang are they reputed to be?

A. I was always of the opinion it was some bank robbers around Ontario here, sir.

Q. Have you any knowledge as to the use by Ryan of the expression "Purple Gang" in this telegram?

A. Which Ryan is that, sir?

Q. J.D. Ryan.

A. No, sir.

THE COMMISSIONER: Q. Who sent the telegram?

MR. WILSON: J.D. Ryan.

Q. Who is J.B. Ryan?

A. If it is the Ryan I believe you are referring to, he would be one of the principal owners, in my opinion, of the Goose camp, sir.

Q. And is he a former -- what relationship has he to the Ryan who was associated with McDermott and yourself?

A. None, as far as I know, sir.

THE COMMISSIONER: Where was the telegram sent from?

MR. WILSON: It was sent to ---

THE COMMISSIONER: Hennessey, James Bay.

MR. WILSON: Yes, but it doesn't appear. Originating in the Royal York on September 22, 1960, charged to the account of Craddock Holdings.

THE COMMISSIONER: The account of whom?

MR. WILSON: Craddock Holdings.

Q. Well, had, in fact, a trip been set up by McDermott and yourself that fall, that had to be cancelled?

A. I don't believe so, Mr. Wilson. I have it in my mind it never got past the talking stage, sir.

THE COMMISSIONER: Q. It would appear to have got advanced this far, that McDermott made reservations for a particular date and the telegram cancelled it, cancelled that reservation.

A. Sir, that may have been so, but to the best of my knowledge, I don't recall any reservations.

MR. WILSON: Q. Have you any knowledge of any of these persons, who were present in the fall of 1958 at this hunting lodge, having any connection with the Mafia?

A. Pardon, sir?

Q. To your knowledge, did any of those five persons whose names I have just mentioned, have any connection with the Mafia?

A. No, sir.

Q. Do you know anybody who has any connection with the Mafia?

A. No, sir.

Q. Do you know of such an organization?

A. No, I truthfully can't say I do, other than what I read in books and periodicals and television. I know of no such organization.

Q. Well, had any of these five men, whose names I have read out, to your knowledge, have any connection in gambling apart from, say, racing associations? I mean gambling of the type with which you are concerned in Ontario? Did any of these men have any gambling operations, or were they connected with any gambling operations in the States, to your knowledge?

A. Not to my knowledge, sir.

MR. WILSON: May I have Exhibit 184-D.

THE COMMISSION: D?

MR. WILSON: D. Maybe the witness will want this.

Q. We have in evidence here Exhibit 184-D, a letter of February 3rd, 1958, written by Arthur C. Jolley, M.P.P., as he was then, to Superintendent of Insurance at Ottawa. You have before you the original exhibit and he is writing a letter of recommendation in respect of yourself and in respect to the application of Simple Finance Company Limited for registration or licensing. Now, this date is February 3rd, 1958.

Had you ever met Arthur C. Jolley prior to that date?

A. No, sir.

Q. Have you ever met him?

A. No, sir.

Q. Have you ever talked to him on the phone or in any other way?

A. No, sir.

Q. Now, how did this letter come to be written by Mr. Jolley on your behalf?

A. Sir, that would be through Mr. Maloney.

Q. And when you say Mr. Maloney, what Mr. Maloney are you speaking about?

A. Mr. James Maloney.

Q. Did you ask Mr. Maloney to arrange for Mr. Jolley to write this letter?

A. No, sir. It seems to me that I

asked Mr. -- explained to Mr. Maloney I required a couple of letters of recommendation for Simple Finance Company, and Mr. Maloney volunteered to write one himself and suggested that he might get somebody else to write one on my behalf, sir.

Q. Well, if you look at the exhibit, 184-C, we find Mr. Maloney did write a letter on the same date to the Superintendent, a letter of recommendation on your behalf. Why would Mr. Maloney write a letter of recommendation on your behalf at that time?

A. Why, sir?

Q. Yes.

A. Because he knew I was trying to get into the finance business, sir, and he had known me for several years.

Q. He had known you for several years in what connection or under what circumstances?

A. Well, I originally met Mr. Maloney through Neil Harrington from Peterborough and I had become quite active in the mining in about this time, sir, and he knew I was active in the mining and knew I was trying to get into the finance business.

Q. When he makes this statement in Exhibit 184-C:

"From my knowledge of Mr. Feeley
"I know him to be a man of good
"financial position and responsible

"in his undertakings.

" I have no hesitancy whatsoever "in recommending him to your con- "sideration and vouching for him as "a person ofresponsibility and integrity "in connection with the establishment "of this finance company."

Now that, you say, would be based on the association you had had for some years prior to this date in connection with your dealings in mining?

A. Yes, sir, I don't know. I mean, these are his words, sir. I didn't go into it, as a matter of fact. I don't know that I would recall seeing this letter, sir. It seems to me that Mr. Maloney possibly forwarded these letters on to Mr. Herman, who was handling the incorporation of Simple Finance.

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Q. Well, had you any discussion with Mr. Herman about the obtaining of the letters from Maloney and Jolley?

A. Prior to getting them, sir?

Q. Yes.

A. I don't think so, sir.

Q. What is your recollection as to when the late Mr. Maloney became Minister of Mines in this province?

THE COMMISSIONER: What date is that?

MR. WILSON: That we do know. I am just trying to fix the date, and I will have it in a moment for you, Mr. Commissioner. I just want to get the exact date.

THE WITNESS: Sir, I would only hazard a guess.

THE COMMISSIONER: Let him fix the time definitely.

MR. WILSON: Well, you are saying that for some two years prior to February the 3rd, 1958, your connection with the late Mr. Maloney was in connection with your mining interests?

A. No, sir, I am sorry if I conveyed that impression to you. I did not mean that. I said, sir, that I was interested in mining. I don't think I pinpointed anything to do -- I was interested in mining since back around 1956 or '57, sir.

Q. Yes, and in that connection you

had dealings with the late Mr. Maloney?

A. No, I don't believe I had, sir -- I had discussions and talked about mining, but dealings, I don't believe I had any dealings with Mr. Maloney.

Q. Well, what was the order of any relations with the late Mr. Maloney, say in '56 and '57?

A. Well, sir, I don't recall having any dealings with Mr. Maloney at any time in all the years I knew him, other than, sir, from an advice standpoint, or as a lawyer. But, dealings, sir, I do not recall having any dealings other than ---

Q. Well, had he acted for you in a professional capacity prior to February of 1958?

A. No, sir.

Q. Well, then, how did he have the knowledge of your background to write the letter that he did on February the 3rd, 1958?

A. Well, Mr. Maloney was quite a good friend of Harrington's -- whether Harrington told him what sort of a person I was, I don't know, sir, but Harrington knew him for many, many years prior to that.

Q. You are speaking of Neil Harrington, I take it?

A. Yes, sir.

Q. The man who was connected with

the operation of the Tisdale Club in Peterborough?

A. Yes, Neil Harrington, sir.

Q. Now, we have heard in evidence here of a number of witnesses who, after they were subpoenaed, or shortly before they were subpoenaed, suddenly had a communication from either McDermott or yourself, followed by one or more conferences. I take it you are familiar with the subject I am now going to deal with?

A. I don't just know if I am or not, sir.

Q. Well, we will go and do it one by one then. First of all, we will deal with Jack Lafrade, and you have known Jack Lafrade for a good many years?

A. Yes, sir.

Q. And I would say he has been a partner and associate with you in some of your betting operations?

A. Yes, I have known Jack for twenty or twenty-five years.

Q. That is not the answer. He has been a partner and associate with you in some of your betting operations over the years?

A. Yes, he was a partner in the club, yes.

Q. A partner in the club, yes. Now, he has told us that two or three weeks before he gave evidence, and he gave evidence on

May the 15th, 1962, he had a meeting with McDermott and yourself on Ninth Street in a car. Do you recall that meeting? That is at page 4764.

THE COMMISSIONER: Page what?

MR. WILSON: Page 4764.

THE COMMISSIONER: Yes.

THE WITNESS: I recall seeing Jack Lafrade in early spring -- the early spring, yes, sir.

THE COMMISSIONER: On Ninth Street?

A. It may have been, sir.

Q. Had a meeting between yourself, McDermott and Jack Lafrade?

A. I don't recall McDermott, sir, but he may have been there.

MR. WILSON: Q. Now, this was after this Commission had got under way?

A. I believe so, yes, sir.

MR. WILSON: Q. Now, what was discussed at that meeting as you recall it?

A. I don't recall anything in detail, sir, I recall discussing the Royal Commission and the fact, I believe, Jack suggested that he had been subpoenaed and that I would have told him that I would think that I was subpoenaed, and that the only thing that I suggested to him was that all he do was to tell the truth when he got up here. That is all that I was going to do, and if everybody done the same thing, that no one could get into any trouble.

Q. Well, that was the purpose of your meeting with Lafrade?

A. Sir, I don't know whether that was the purpose of it at all. I lived around New Toronto, and had known Jack Lafrade for years. I am not saying that was the purpose of that meeting at all, sir. As far as I was concerned, you say it was a meeting, it was nothore -- it was no different than all the years I have known Jack, it was certainly not uncommon for us to discuss things and to get together. I may have picked him up, or stopped and talked to him, or something like that.

Q. And then he said he saw you also with McDermott, at least Saturday night before he gave evidence. Now, this was Tuesday that he gave evidence, on May the 15th.

THE COMMISSIONER: What purpose is going to be served in asking this witness all that -- about the meeting he had with Lafrade? The witness had been subpoenaed.

MR. WILSON: I think his story is that he met with Lafrade to tell the truth, and everybody would be all right if they told the truth.

THE WITNESS: Since this Royal Commission, and since I have been on trial, during the last couple of years hundreds of people -- I have been talking to hundreds of people. The

Royal Commission has been the topic of discussion with anybody that would listen to me over all these months.

Q. Now, you also had a number of meetings with R.J. Wright, just before he gave evidence at this Commission?

A. I met Wright on many, many occasions, sir.

Q. Particularly just before he gave his evidence here at this Commission, you had

B/2

a number of meetings with him -- one at the Royal York and one at the Lord Simcoe and one at Rose's office?

A. That could be so, sir.

Q. And what were you telling him about the Commission -- to tell the truth?

A. If the Commission was discussed on those occasions, sir, I know that that would be what I would tell him I was going to say. But, we went through two trials together, sir, and I would think that that was of importance to our discussion in getting together, sir.

THE COMMISSIONER: I am suggesting to you that nothing would be gained by referring to these meetings.

MR. WILSON: Very well. Well, that is all I have to complete what I have in mind at the moment.

THE WITNESS: Well, Mr. Wilson, the other

day when we were -- when you were reviewing my finances, sir, I don't know whether you neglected to tell -- or ask me about the Rule mortgage, or whether I neglected to tell you, sir, but I just wanted to ---

THE COMMISSIONER: What mortgage?

A. The Rule mortgage.

Q. Rule?

A. Yes.

MR. WILSON: Q. How much is involved in this transaction?

A. Originally, sir?

Q. Yes.

A. $15,000.

Q. This is a mortgage you had personally?

A. No, sir, I have it now.

THE COMMISSIONER: Q. It was a mortgage given by whom to whom? Given by a man called Rule?

A. No, I would not think it was given by Rule, sir, it was taken on Mr. Rule's house.

THE COMMISSIONER: Did he own the house?

A. Yes, sir.

Q . Well, some one would have to take the mortgage ---

A. It was taken by me for George Reid.

Q. Taken in your name?

A. No, sir.

Q. Taken in whose name?

A. It was taken in the name of Cook, sir.

Q. It would be a mortgage then from Rule to Cook?

A. Yes, sir.

Q. And what property did it cover?

A. It covered Mr.Rule's house.

Q. Where was that?

A. That was a house out Port Credit way.

Q. And when was this?

A. This was in -- I am not certain of the date, sir, but it seems it was around 1958, sir.

Q. All right.

MR. WILSON: We have the particulars of that transaction, Mr. Commissioner.

THE COMMISSIONER: Very well.

EXAMINED BY MR. MacKINNON:

Q. What war were you a veteran of, witness?

A. I was enlisted in the Army in 1942, I believe it was, sir.

Q. What unit were you in?

A. It was the Ordinance Corps, sir.

Q. And for how long?

A. I would say eight or ten months, sir.

Q. Well, what happened -- were you discharged after eight or ten months?

A. No, sir, I was eventually convicted under civil law, and discharged because of that.

Q. You were convicted in 1940, were you?

A. I did not say that.

Q. You said you joined in 1940.

THE COMMISSIONER: No, 1942.

MR. MacKINNON: 1942, and you served for some eight months or so -- were you convicted then in 1942?

A. I don't know the exact date.

Q. How did you get out of the Army right in the middle of the war?

THE COMMISSIONER: He was discharged, he said.

MR. MacKINNON: Dishonourably discharged?

A. I don't believe that was -- I don't believe that was the reason that was on my discharge papers, sir. I believe it was written up something along the lines that I was convicted due to conviction under civil law, or something along those lines, sir.

THE COMMISSIONER: What were you convicted of?

A. Forgery.

MR. MacKINNON: So, your conviction for

forgery on the record we have, is dated February the 7th, 1945. That is some three years later. Are you saying that is an error, that you were convicted in 1942 for forgery?

A. No, I did not say that, sir.

Q. I would like to know, witness, how you got out of the Army in 1942. Did you desert?

MR. ROSE: He has answered the question.

MR. MacKINNON: He has not. You leave me alone.

THE COMMISSIONER: Now, just a moment.

THE WITNESS: I don't think I said I got out in 1942.

MR. MacKINNON: You said you served eight or ten months. Now, eight or ten months in 1942 does not bring you beyond 1943, does it, witness?

A. No.

THE COMMISSIONER: You were not convicted for forgery until 1945, when you were discharged because of a conviction. Were you still in the Army when you were convicted for forgery?

A. Yes, sir.

MR. MacKINNON: Did you forge discharge papers?

A. Yes.

Q. That is how you were convicted?

A. Yes.

Q. So that is how you got discharged, because of forging discharge papers?

A. Yes, sir.

Q. So from 1942 to 1945 you were out of the Army on the basis of having forged discharge papers, is that correct?

A. Yes, sir.

Q. And you were also convicted at some time of the breach of the Wartime Control Board Regulations, and was that breach for failure to register?

A. I don't believe so, but I could not swear one way or another, prior to seeing this sheet of paper that Mr. Wilson presented the other day, I am nt familiar with that at all, sir.

THE COMMISSIONER: Let me see Exhibit 254.

MR. MacKINNON: Did you know McDermott in the Army? Did you serve with him -- if I can use the word "serve" in this connection?

A. No, sir.

Q. And I take it you did not like the Army, so you decided to procure your own discharge, is that correct?

THE COMMISSIONER: Well, he forged his discharge anyway.

MR. MacKINNON: Apparently successfully, for three years. How long have you known A.B. Monteith, witness?

A. I would think, hazarding a guess, maybe twenty years.

Q. He has been a long time associate and friend of yours and McDermott's, isn't that correct?

A. I have known him for many, many years.

Q. He has been a long time associate and friend of yours and McDermott's, isn't that correct?

A. Mr. MacKinnon, you will have to define "associate" -- I don't know what you are referring to.

Q. Do I have to define "friend" for you, witness?

A. I agree he has been a friend of mine for twenty years.

Q. He has been a friend of yoursfor twenty years. He was a close enough frind to post your $10,000 cash bail in January of 1961 for both you and McDermott, isn't that correct? Totalling $20,000 -- he posted the bail for you on that occasion?

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A. I don't know what occasion you are referring to, Mr. MacKinnon.

THE COMMISSIONER: January of 1961.

MR. MacKINNON: Yes, January of 1961.

A. Yes, I believe he put up some bail, sir.

Q. $20,000 cash -- ten each?

A. That may be -- I could not ---

THE COMMISSIONER: Was it his money or yours that he put up?

A. I would be inclined to think it would be mine, sir, but that is quite a while ago, and I cannot definitely swear to that. I would be inclined, however, to think it would ---

Q. To think what?

A. I would be inclined tothink that it was mine, sir.

MR. MacKINNON: Why would Monteith do it if it was your money? Why couldn't you post your own cash bail?

A. I don't know whether you can or not, sir.

Q. Pardon?

A. I don't know whether you can or not, sir.

Q. Your cash would not be as good as Monteith's, is that your position?

A. No, that is not my position at all, and I don't know whether one can do it for oneself.

Q. Well, you are out now on $50,000 cash bail now, aren't you, witness?

THE COMMISSIONER: Not now.

MR. MacKINNON: Not now, but you were until ten days ago or so?

A. Cash and property, yes, sir.

Q. And that was your own, wasn't it?

A. Yes, it would be -- between McDermott ---

Q. You had no trouble putting it up. It was not suggested to you that it had to be in some one else's name?

A. I believe you will find it was, sir.

Q. It is in McDermott's and your name. Do you believe it was in somebody else's name -- the cash?

A. Yes, sir.

Q. Whose?

A. I believe it is in Mr. McDermott's name.

Q. That is for McDermott -- that is for him, isn't that correct?

A. You will have to give me a moment just to recall that. No, I believe that some of the cash up for me, is in Mr. McDermott's name, and some of the cash of McDermott is in Mr. McDermott's name -- I believe that is the way it goes.

THE COMMISSIONER: Mrs. McDermott.

MR. MacKINNON: She put it up for both of you?

A. Yes, sir.

Q. Coming back to Monteith, you also made him president of this company, White Falcon Investments, didn't you?

A. I believe he was a director or

officer of White Falcon.

Q. That is one of your companies you told us about when you first gave evidence in June, isn't that correct -- that is one of your companies?

A. It was, sir.

Q. Yours and McDermott's?

A. Yes, sir.

Q. And you also made him a director, I believe, secretary-treasurer, of Erno Mines, is that correct?

A. Yes, sir. I am not just certain of which directorship he has,but he was an officer.

Q. What company does he work with?

A. He is with a brokerage firm on Adelaide Street.

Q. And what is the name of that firm?

A. Davidson & Company.

Q. And I believe Inspector Graham said he was the son-in-law of Davidson, or stepson -- I have forgotten which?

A. I don't think so, sir.

Q. He is related to the president of that company, isn't he?

THE COMMISSIONER: What difference does that make?

THE WITNESS: I don't know who is the president.

THE COMMISSIONER: Just a second. What

significance has this?

MR. MacKINNON: Well, it may be of some significance later on, Mr. Commissioner.

Q. And he has been with that company for some time -- Monteith has?

A. Yes.

Q. And I believe as well, you made Davidson & Company the selling agent for Krno Mines, didn't you?

A. I think maybe I am a little confused there. In trying to explain it the best I can, Mr. MacKinnon, as I recall that, there was only a discussion at a directors' meeting, and in fact Davidson & Company never were appointed as distributors. The stock in Krno has never been there -- has never been -- there has never been one share of stock issued publicly, and to the best of my recollection that was only a suggestion at a board meeting, and recorded in the company's books, but there was no written agreement with Davidson's.

Q. Well, so faras the company is concerned, there were not even any shares sold, but were they not appointed as selling agent in May of 1961 -- whether they sold anything or not is quite beside my point -- in May of '61 they were so appointed -- what happened then?

A. Mr. MacKinnon, to the best of my

recollection I would disagree with that statement. As I tried to explain to you, my recollection of Davidson & Company -- of a discussion at a Board meeting was only if and when, and the name Davidson & Company was suggested, or brought up atthe Board of Directors' meeting, but there was never any agreement with Davidson. That is as I recall that affair.

(Page 10260 follows)

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Q. Well, in any event, you dealt with his firm, Monteith's firm, that is, Davidson's firm, for some time, did you not, selling shares through them?

A. No, I think I gave evidence, sir, that I had an account there.

Q. Yes.

A. So that I don't quite agree that I dealt for some time.

Q. You had an account there, and did buy shares there?

A. Yes, sir.

Q. Yes, and that was over a period of time?

A. To the best of my recollection it may have been over a period of a couple of years.

Q. Yes, and McDermott to the same extent? He dealt with them as well, did he not?

A. He dealt with Davidson's, yes.

Q. I am talking quite apart from this Jacobus business I am coming to, or Jacobus, you bought and sold other shares through them, quite apart from this Jacobus transaction that Mr. Wilson went through with you?

A. No, sir.

Q. Jacobus were the only shares you ever bought, you say, and the Yale?

A. Yes, sir.

Q. Those are the only two you ever purchased through this company?

A. Yes, sir.

Q. Now, about the chairman of your first jury, he was the vice-president of Davidson and Company, isn't that correct?

A. I don't know what capacity he was in that company, sir. As I understand, he was a partner in that company.

Q. Monteith is a partner as well, isn't he?

A. Not to my knowledge.

Q. He is a director at least?

MR. ROSE: Let him answer the question.

MR. MacKINNON: Pardon? Not to your knowledge?

A. Not to my knowledge.

Q. He is - is he a director of the company to your knowledge?

A. I have no knowledge of that, sir.

Q. He has never discussed that with you in the twenty years you have been friends?

A. No.

Q. Now, I want to read to you an excerpt from a news report on June the 15th, 1961, appearing in the Globe and Mail of that date, and ask you whether this was true or not. I am reading the first paragraph:

"Gambler Joseph McDermott said
"yesterday that neither he nor

"his partner Vincent Feeley had
"ever done any business with the
"brokerage firm of a man who
"served on the jury which acquitted
"him on a charge of conspiracy to
"bribe a police officer."

And then he goes on to say later in this column, "he" - talking about McDermott -

"-- said he knew no official of
"the brokerage house, and neither
"he nor Mr. McDermott had ever
"bought, sold or traded stock
"through the firm."

Now, that would not be a correct statement of fact if McDermott said it, would it?

A. With regards to Davidson, no, sir, that would not be.

Q. Well, now, you and McDermott were rather anxious to have this particular gentleman on your jury, weren't you?

A. (No audible answer)

Q. You can answer that.

A. Yes, I can.

Q. Yes?

A. Yes, I can, Mr. MacKinnon.

Q. Well, please answer it.

A. Anxious? I don't agree with you, anxious. When we panelled our jury we were anxious to have the best calibre of men possible.

Q. Well ---

A. -- on our jury, and I believe if you go over the transcripts you will find where the chief - where Justice Spence commended the jury in calling them a blue ribbon jury, and they were all business men, and ---

Q. Well, you can answer this, then, didn't you and McDermott have his counsel go to the immediately - to the counsel on the immediately preceding trial and ask that counsel to challenge this particular person so he would be available for your jury panel? You know that to be a fact, don't you?

A. I don't know it to be a fact, sir. I - I am a little confused on your question. Whose counsel, who are you ---

Q. McDermott's counsel.

THE COMMISSIONER: Who was?

MR. MacKINNON: Mr. Brooke.

THE WITNESS: No, I don't know that to be a fact, sir.

MR. MacKINNON: Q. McDermott never discussed it with you, as to how you might get this particular member of Monteith's firm on the jury?

MR. ROSE: Mr. Commissioner, if I may, I am trying to discover the relevancy of this line of questioning by Mr. MacKinnon, having regard to the terms of reference in the Commission.

THE COMMISSIONER: I don't know what the

relevancy of it is at the moment. I will have to wait and see if there is any.

MR. ROSE: Well, I have no idea what it is, sir. Perhaps Mr. MacKinnon might indicate what the relevancy is, because it would appear that the line of questioning is such that it is obvious that by innuendo or otherwise, Mr. MacKinnon is trying to allege that there may be an improper - or may have been an improper association or relationship between this witness and McDermott and a member of Davidson and Company --

THE COMMISSIONER: Well, I ---

MR. ROSE: -- in respect to the first jury trial that went through. Now, I cannot possibly see what the relevancy would be of this kind ofquestioning, having regard to the terms of reference, and more in particular in respect to phase 2, unless it is merely to try to, by innuendo, to blacken the witness's character. Now, that is the only possible result that I can see to this line of questioning, and I certainly think not only the character of this witness, but it would seem to reach the point where it may be imputing certain things to other responsible people, one was a man who just recently died, that is the foreman of the jury, who had a long and an unblemished background, and certainly unless there is some relevancy to

this, I submit it is not proper before this Commission.

THE COMMISSIONER: I don't know what the relevancy is. I am not a crystal-gazer, Mr. Rose. I will have to just wait and see.--

MR. ROSE: Well, perhaps ---

THE COMMISSIONER: -- what relevancy appears.

MR. ROSE: Mr. Commissioner, if we wait to see if any relevancy appears after a day and a half of this line of questioning ---

THE COMMISSIONER: Well, just a moment.

MR. ROSE: There may be no relevancy, and we have all this evidence in, in front of the - in front of the press, and one must realize that Feeley and McDermott have just elected trial by a jury in another matter, and this is something that is rather - rather close to that. If Mr. MacKinnon would like to tell us, or tell you, sir, and let you see what the relevance is of this line of questioning.

THE COMMISSIONER: All right. What is the relevancy of this, Mr. MacKinnon?

MR. MacKINNON: I think it goes - for one thing, I don't want to say too much in front of this witness. I think my friend protests a little too much.

MR. ROSE: Well, that is not a fair statement, either.

MR. MacKINNON: Ofcourse, it goes to

credibility, the whole conduct of this man. You, sir, may have your views as to his credibility, but I have mine of the type of person he is, and I think I am entitled to investigate, because it has been promoted here that due to the fact that they were acquitted they obviously must be innocent of all wrong-doing, other than that they have pleaded guilty to one charge.

MR. ROSE: They weren't acquitted entirely.

THE COMMISSIONER: Well, I am not going to sit here and re-try that case.

MR. MacKINNON: Oh, no, no. I am not proposing that, but I think I am entitled to go into these matters which are - also I want to go into the discussions with the sheriff's officer, too, which is under the Attorney-General's Department, but I don't think this witness should be given too much warning, Mr. Commissioner.

THE COMMISSIONER: It is not a question of giving the witness warning, I am just wondering what the relevancy is. I assume that you would not be delving into a matter that was not of some relevance.

MR. MacKINNON: Oh, I think it is relevant to all we have been hearing, all we have been dealing with throughout four months of these hearings. It is certainly not going to be a

day and a half, I can assure my friend. It may be another five minutes, but no day and a half proposition.

THE COMMISSIONER: Well, I don't want to embarrass you in cross-examination, but at the moment I am a little doubtful as to the relevancy. You may develop it later, I suppose. Go ahead. I will rule on it as you go.

MR. MacKINNON: I must admit I have forgotten where I was.

THE COMMISSIONER: Well, you had been asking about whether McDermott's counsel attended on counsel in another case to have --

MR. MacKINNON: -- to have this particular man challenged.

THE COMMISSIONER: Challenged, so he would be on the panel from which the jury would be chosen for the trial of McDermott and Feeley.

MR. MacKINNON: That is right.

Q. Were you aware of that?

A. Could I hear your question again?

THE COMMISSIONER: Oh, dear. Oh, dear.

A. Well, I am --

Q. Didn't you hear me explaining the question just a minute ago?

A. Yes, sir, but I don't know what is in Mr. MacKinnon's mind.

MR. MacKINNON: Q. I don't think you should ---

THECOMMISSIONER: He is asking you now if

you had any knowledge of it.

MR. MacKINNON: I believe that is right.

A. I answered you, sir, I believe. I did not.

Q. But you didn't say any other names? Was there anybody else you were interested in having challenged at the immediately preceding trial, so as to be available for your jury?

A. Not to my knowledge.

Q. Were you directly or indirectly speaking with any sheriff's officer about the selection of the jury before? Either yourself, or through some nominee of yours, approach any sheriff's officer?

A. Well, sir, I think the trial lasted ten days, and I talked with sheriff's officers.

Q. Before the trial?

A. On every day.

THE COMMISSIONER: No, no, but before the jury was chosen.

MR. MacKINNON: Q. Before the jury was chosen?

A. I don't recall it, sir.

Q. Do you believe you might have?

A. Well, there again, Mr. MacKinnon, I speak to so many people, and spoke to hundreds of people around that time, and if I did it, I could have. I couldn't deny I did, or I couldn't say I didn't.

THE COMMISSIONER: Q. You didn't speak to one hundred people connected with the sheriff's office?

A. Well, I --

Q. The question is, did you speak to anyone in connection with the sheriff's office about this?

A. Not to my knowledge.

MR. MacKINNON: Q. Or about the selection of the jury? I will narrow it down to that.

THE COMMISSIONER: I narrowed it to that. Probably you didn't hear me. He says not to his knowledge.

MR. MacKINNON: Q. Well, now, going on with Monteith. You have given us an explanation with regard to the Jacobus shares, but I must admit I am still a little vague, and I want you to clarify a few things for me. Just what was this conversation with Monteith that got you into purchasing the Jacobus shares?

MR. ROSE: Mr. Commissioner, if I may, I take the same position with respect to this. I think when Mr. Wilson wasgoing into the assets and liabilities of this witness he indicated that he was doing it for a certain purpose, that is to say perhaps that the witness had spent a considerable amount more money than his income tax returns showed. Now, that may be something that is relevant in

financial

order to establish a final figure, and Mr. Wilson said he would put an accountant in the stand, but I fail to see what possible relevancy there is in respect to a conversation that took place between this witness and a stock broker or stock salesman leading up to the initial purchase of shares, whether there was some disagreement between them. I fail to see where that is ---

THE COMMISSIONER: Agreement between whom?

MR. ROSE: Between Monteith and this witness, because he gave evidence concerning it, but I can't see where it is relvant to the matters under investigation at the present moment. I mean, if it is going to be a question of every transaction, or everything this witness has ever said in his life, or any other witness may have said to this Commission, that is another story, but if it is to be confined to the terms of reference, and ones you, sir, are searching into and must enquire and report upon, under the terms of reference, I fail to see where evidence of this nature has any relevancy whatsoever. It has nothing to do with this Commission. He bought shares. What conversation he had with Monteith, and what Monteith said to him, and what he said to Monteith, or what McDermott may have said, or what they may have said to somebody, has nothing to do with this Commission. All it can

do is drag other people's names into this whole inquiry. In my respectful submission, sir, I do not see the relevancy of this.

THE COMMISSIONER: What is your question?

MR. MacKINNON: I think this is correctly relevant, arising particularly out of the evidence in chief as to the validity of this man's explanation, and adds to the - he was asked about it - he was cross-examined on it, but there has been some evidence in that cross-examination that were not completed or him followed through, and I do want to follow through that, and of course Mr. Winternayer's speech has a passage here, page 109. He states:

"If for no other reason, Mr. Speaker,
"a Royal Commission is necessary to
"discover and expose the use of
"illegal gambling revenues in the
"participation of professional
"gamblers and their associates in
"fraudulent stock promptions."

Well, I think the explanation given with regard to that, we have it on the record here, surely I am entitled now to investigate that to see whether it is a valid explanation, or whether this was a fraudulent deal in breach of the regulations.

MR. ROSE: Well, Mr. Commissioner, Mr. Winternayer is not the Lieutenant Governor in

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Council to set up the terms of reference. Mr. Winternayer had many things to say in dozens of pages in there that are not included within the terms of reference. You certainly, sir, have not been asked to inquire into and report upon the matters that Mr. MacKinnon has just discussed.

THE COMMISSIONER: What about the third term of reference, Mr. Rose?

MR. MacKINNON: That is right.

MR. ROSE: Organized crime.

MR. MacKINNON: The third term of reference:

"The extent of crime in Ontario
"and the sufficiency of the law
"enforcement agencies to deal
"with it."

MR. ROSE: I don't think it goes to that extent, surely, because if that is correct - if that is correct, then any witness who is brought up here who may have jaywalked at the age of 14 can start to be examined on it, and be examined on it now. It would all come under that head of the sufficiency of the law enforcement agencies to deal with it. Surely that doesn't mean that all the people - the lives of everybody in this Province can be looked into, if Mr. MacKinnon so desires. I certainly submit that he has to keep within - try to keep within the terms

of reference, and I do not see the relevance of this. Now, it is my understanding that you, sir, are still dealing with phase 2 of this inquiry.

THE COMMISSIONER: Mr. Rose, on the other hand, it would be absolutely impossible to exclude these three terms of reference in sort of water-tight compartments and deal with one. There is bound to be some overlapping, and that has been said a number of times, and it must be perfectly apparent by now.

MR. ROSE: Well, now, then, may I say this, sir, that I agree with you there. There is a certain amount of overlapping, but I say this; Mr. MacKinnon has just stated that I am entitled to go into these matters of Mr. Monteith insofar as the fruits of gambling are tied up with fraudulent stock transactions. Now, this is the statement he has made, and I submit he must make it in all sincerity, and he knows when he makes it that the newspapers and the radio representatives are going to be quoting him.

Now I certainly submit when he makes a statement of that nature that he is bound to show a fraudulent stock transaction. He is now referring to a public company, a company that many people have shares in, and I certainly think when he makes statements of

that nature to you, sir, he should surely have considerable proof, because he cannot just make merely haphazard statements, throwing them out to the press hoping to get headlines, and so on and so on.

MR. MacKINNON: That is entirely improper.

MR. ROSE: That is exactly what is going to happen.

THE COMMISSIONER: Just a moment.

MR. ROSE: He knows if he says fraudulent stock transactions, I think he should be prepared to show it.

c/4

THE COMMISSIONER: Just a moment.

MR. MacKINNON: That is what I am trying to do, if my friend would stop interrupting. I know I may be getting on sensitive ground with his client, but if he would just allow me to proceed.

THE COMMISSIONER: You can proceed. When they are in territory over which I have no jurisdiction, I will stop you.

MR. MacKINNON: Q. Well, now, I asked you, witness, before --

THE COMMISSIONER: I will keep pretty close touch.

MR. MacKINNON: Q. I asked you, witness, with regard to these rather strange dealings with Jacobus. You told us that you had some conversation with Monteith that originated these dealings. Now, what was that

conversation that originated this Jacobus transaction?

A. Well, sir ----

THE COMMISSIONER: Well, now, just stopping there, under what term of reference do you say that that is relevant?

MR. MacKINNON: Well, with regard to the examination, if I --

THE COMMISSIONER: Under what term of reference?

MR. MacKINNON: The same term of reference that Mr. Wilson brought it in.

THE COMMISSIONER: Yes. I don't know. I know the term of reference under which Mr. Wilson brought it in, but what is the relevancy of the conversation that he had with Monteith?

MR. MacKINNON: Well, it goes to the background. I want to know the explanation as to how this arose, and then draw his attention to his explanation.

THE COMMISSIONER: To prove what?

MR. MacKINNON: To prove that this was - must have been a stock promotion push.

THE COMMISSIONER: Well, supposing it was a stock ---

MR. MacKINNON: It was an illegal transaction.

THE COMMISSIONER: Supposing it was a stock promotion push, under what term of reference is it relevant?

MR. MacKINNON: Well, it is relevant under term 3:

"The extent of crime in Ontario" - I would say that quite unequivocably. It is also relevant to the credibility of this witness under cross-examination. He has given one explanation which may be destroyed in cross-examination. If we are just to take this man's explanations and say they are right, I will not need to cross-examine. If everything he says is accepted fully I will get nowhere, but I think I am entitled to cross-examine him, as I have been cross-examining other witnesses, on what they have said, in the evidence here. Now, he told us how he -- now surely I am entitled to get to the background of this.

THE COMMISSIONER: As a matter of credibility.

MR.MacKINNON: A matter of credibility.

THE COMMISSIONER: All right. Go ahead.

MR. MacKINNON: Q. All right, witness, what was that conversation with Monteith that started you on this Jacobus?

A. It was on his recommendation that I and my associates purchase this stock.

Q. Well, what did he say? Did he say this is a good stock, or something to that effect?

A. He said that this company had a

good propetty, and that they were doing some major exploration work - this may not be his exact words, you understand, Mr. MacKinnon, I am just giving you in my ---

Q. I am just asking for the general ---

A. And they were working on the property, and that in his opinion this - this stock, with the result that they had got, should go up in value.

Q. Well, there must have been some further conversation, because you said he gave you a guarantee of some kind.

A. It was on his recommendation. He said I wouldn't lose anything - would not lose anything.

Q. What kind of guarantee did he give you?

A. That I couldn't lose to through the stock.

C/S

Q. Well, did he say he had a guarantee in it as well for himself?

A. No, I don't recall him saying that.

Q. Well, your evidence was that Lehigh had guaranteed --

A. I don't think --

Q. -- through him your losses?

A. Oh, I don't think I said that, Mr. MacKinnon.

Q. Well, you said Lehigh had gone

the guarantee for him?

A. No, no, I don't believe I said that at all. I believe my evidence was that I bought the stock on Monteith's recommendation, that he guaranteed that I couldn't lose to the stock.

Q. And then you led us into the fact of this $20,000 that went into your account, and you said that that came from Lehigh through Monteith.

A. I said that that came from Lehigh, but as far as I was concerned, it was Monteith's arrangement. I had no arrangement with Lehigh. He arranged with them.

Q. Well, what was his arrangement with Lehigh?

A. That, sir, you will have to ask him.

Q. You don't know how he got the money from Lehigh?

A. No. He arranged that, sir. I got no money from Lehigh.

Q. Well, did he mention Lehigh to you at the time you went into this deal on Jacobus?

A. Not to the best of my knowledge.

Q. Well, did you not know that the same interests control Lehigh as control Jacobus?

A. I don't believe I knew then. I

have subsequently learned that.

Q. Well, now, --

THE COMMISSIONER: Subsequently learned what?

A. That the same interests control Lehigh as control Jacobus.

MR. MacKINNON: Q. Now, just - it appears here, in this exhibit of yours and McDermott's counsel, that on January the 30th, 1959, there was a transfer of some 9,000-odd to your account, and some 10,000-odd to McDermott's account, from this A.B. Monteith account, speaking again of the total there, 20,000. Well, did you make a demand on Monteith at that time for fulfillment of this guarantee you say he gave that you would not lose?

A. Demand?

Q. Yes? Why was the money transferred into your accounts at that time?

A. Well, as I recall the reason, it would be transferred because the company, the brokerage firm, required money, because the stock may not have gone up.

Q. I am just -- your evidence on that confuses me. I don't see that you had lost any money, because on or about January the 30th, 1959, it was selling for about $1.85 a share, and you had bought it at $1.18, $1.42, and the last lot at $1.93. Now, do you say that you were - you were down? And lost money

on that transaction at that time?

A. No, I didn't say that. I am a little confused here, trying to keep track of your dates you are speaking about, Mr. MacKinnon.

Q. I didn't say that, I said that --

A. The 20,000, was that your question, with regard to the 20,000? What is it you want to know about the 20,000, Mr. MacKinnon?

Q. What I want to know is, did you demand that the 20,000 be paid into your account from Monteith? Did you make a demand for this from them?

A. I didn't have any reason todo that, Mr. MacKinnon. The 20,000 was arranged for by Monteith, because the brokerage firm wanted a payment.

Q. And so you turned to Monteith, and asked him to make the demand, is that correct?

A. I think we both understood that, had a mutual understanding that the stock was going up, and at the time I probably was not within funds, and he made the necessary arrangements.

Q. Did you give him any promise to repay him, Monteith?

A. I don't think we discussed that, Mr. MacKinnon. We - it seems to me that we would both be of the opinion that the stock

would be going up subsequently, because of the results that they were getting on the property.

Q. Well, my question still is, were you to repay this? Was this a loan, or was this an outright demand on you and McDermott's behalf?

A. I would probably consider it - at the time I don't think it was discussed. Subsequently I sold some mining claims, turned over some mining claims to Lehigh Securities to straighten that out.

Q. You didn't get paid for those mining claims?

A. No, sir. Well, when I say no, this 20,000 was subsequently - there was a difference of opinion, and I turned over a block of mining claims to straighten it out, because there was a misunderstanding about the 20,000, so I gave some of my mining claims to ---

Q. To Monteith?

A. -- level it off. No, I eventually turned them over to Mr. Lehigh.

Q. Lehigh. Those are not the ones you turned over to KENO mines?

A. No, sir, I believe this is a different - a different block of claims.

Q. When? When did you do that? Can you tell me?

A. I would only be guessing, Mr.

MacKinnon. It may be a couple of years ago. I don't know the dates on that.

Q. Did you have a lawyer acting for you on that transaction?

A. I don't know if anyone acted on my behalf. As I recall it, I filled out the transfers, and turned them over to - to a law firm, but I believe they were acting on behalf of the second party.

Q. Well, now, while we are on this, did you make any purchases through Crang and Company of Jacobus? I believe you mentioned the Crang Company.

A. Yes. I think that since you mention that, Mr. MacKinnon, I am not certain whether some of this Jacobus stock and Yale was bought, or whether it was picked up and left at Crang. I couldn't -- I couldn't swear, but it seems to me at some stage during this transaction I may have picked some stock up from one company and left it with another company, or vice versa.

Q. Well, would you be leaving it with Crang to be sold?

A. Possibly, sir, yes.

Q. You were buying from one stock broker, and you were going to sell through another, is that it?

A. That could be, sir, but I - I don't think it was all taken at one place and

put in the other. I think there, as I recall it, I may have picked up some portion of the stock when it eventually became free, and that is my recollection of it, but I may have purchased some at Crang. I don't recall. I know that ---

Q. Was there a guarantee there too? Did you have a guarantee against losses at Crang's as well?

A. No, sir.

Q. Have you ever had a similar type of guarantee in any of your stock dealings similar to the one that apparently Monteith gave you?

A. No, sir.

Q. That is your only -- only occasion you have had that happen?

A. Yes, sir.

THE COMMISSIONER: Well, this wasn't a guarantee in writing?

A. No, sir.

MR. MacKINNON:Q.But it was one that was honoured apparently by Monteith?

A. Yes, sir.

Q. Now, talking about your assets, did you or McDermott, or the both of you, we will use you interchangeably, ever have any interest in a Birch Hill Lake mine?

A. What is the name, sir?

Q. Birch Hill Lake.

A. No, sir.

Q. Well, did you or McDermott ever, working it through a nominee, ever have any interest in Northern Ontario Natural Gas?

A. No, sir.

Q. When did you first meet the late James Maloney?

A. I would hazard a guess it would be somewhere in the early 50's, Mr. MacKinnon.

Q. Had McDermott met him earlier than you, or did he know him before you did, or did you meet him together?

A. I couldn't swear whether he - whether I met Mr. Maloney first, or whether he did, sir. I am inclined to think it would be somewhere in the - in the general area.

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C/3

Q. And, in any event, over the years, you became quite friendly with him, you and McDermott, is that correct?

A. Yes, sir.

Q. Yes, and you -- well, you went out socially, may I put it, with him? You had dinner with him, we understand from the evidence?

A. No, I wouldn't say socially. I have had dinner with Mr.Maloney on a few occasions.

Q. Mr. McDermott as well, I take it?

A. I can think of once or twice that possibly we had dinner together.

Q. Incidentally, you mentioned that Shrubb had seen you on one occasion picking Mr.Maloney up at Queen's Park. Can you remember that occasion? Apparently you remembered it the other day. What were the circumstances of thatdrive?

A. As I recall that, Mr. MacKinnon, I would be in the Parliament Buildings getting some claim maps, or geological reports, or something along those lines, and ---

Q. What would you ---

A. --- offered a ride to Mr. Maloney.

Q. Well, this was before Mr. Maloney ever became Mines Minister though, witness.

A. I didn't say it wasn't.

Q. I see. It was, if you are telling

the truth about Shrubb, because Shrubb left the police force at the end of 1958. You were talking to him about your Member in 1956, for that matter, but anyway you say that it was Shrubb told you that Maloney was your Member, that you didn't tell him that, that was Shrubb's statement, and that the reason he said that was because Shrubb was of a suspicious frame of mind having seen you drive Mr. Maloney from Queen's Park on one occasion. Now, Mr. Maloney did not become ~~Assistant~~ Mines Minister until December 26, 1958, so I wonder if you now can cast your mind back, and try to find out just what you were doing driving Mr. Maloney around before he had anything to do with the Mines Department?

A. I didn't say he was Mines Minister when I drove him around, Mr. MacKinnon.

Q. Are you telling us in 1956 you were interested in mining, and were picking up maps?

A. Yes, sir.

Q. I see. How would you run into Mr. Maloney?

A. At the Parliament Buildings?

Q. Hm-hmm?

A. Well, I don't know, sir. Maybe I could have run into you there that day. I wouldn't know how I would run into him. I

ran into him.

Q. Well, now, did you tell us it was Harrington who introduced you to Mr. Maloney?

A. Yes, I believe that is what I said.

Q. He was a gambler who was convicted in the Tisdale Club operation, is that correct?

A. I believe you are right.

Q. Yes, and I take it Mr. Maloney knew what your occupation was?

A. I never told him.

Q. Oh, but I take it he knew?

A. I don't recall discussing it with Mr. Maloney.

THE COMMISSIONER: No, no, no.

A. He may have from some other source. He never -- never discussed it with me, Mr. MacKinnon.

MR. MacKINNON: Incidentally, did you ever discuss your interest in mining, that would be before his arrest, with Robert J. Wright?

A. I don't just quite get your question, Mr. MacKinnon.

Q. Did you ever, before Wright was arrested, discuss with Wright, your and McDermott's interest in mining?

A. No, sir, unless some time at the club at Cooksville, and he may have been on a

raid, and there may have been a conversation there, because I used to have a lot of mining books at the club, Mr. MacKinnon.

Q. And would you have told him in this conversation that Mr. David Humphrey also had an interest in the mining claims? Could you have gone that far in your conversation with him?

A. Sir, I don't recall having had a discussion, any specific discussion at the club with Wright, with regards to -- I may have, but then the question you asked me?

Q. Did you have any discussion anywhere else, that is other than at the club -- other than at the club with Wright about yours and McDermott's and Humphrey's interest in mining claims, prior to Wright's arrest?

A. No, sir.

Q. Can you tell me how, or give me any idea how Wright would know about you, McDermott and Humphrey's joint interest in mining claims?

A. No, I wouldn't be able to just tell you that, sir, but I would think that it was common knowledge around the City of Toronto that McDermott and I had had an interest in mining claims.

THE COMMISSIONER: Common knowledge among whom?

A. Well, just among -- on Bay Street, for example, sir, anybody who was connected with mining, or ---

THE COMMISSIONER: Are you confining it to Bay Street?

A. No. No, sir. Anybody that was connected, I would think.

Q. You say -- when you say common knowledge, it means knowledge among the public generally?

A. That is right, sir.

Q. That is not what you are suggesting?

A. Yes, it is, sir.

Q. Oh. Well, I didn't hear of it, for one.

MR. MacKINNON: Neither did I, Mr. Commissioner, if that helps.

THE COMMISSIONER: Now, you mentioned Bay Street. Do you mean to say it was common knowledge among brokers and so forth down in the Bay Street area that you and McDermott were interested in mines, is that what you mean?

A. No. That is, I mean ---

Q. It went beyond that area?

A. Yes, sir.

Q. Well, how far afield did it go?

A. Well, I would say that there would be hundreds of people in the north country that know I would be interested in mining claims.

Q. Well, would it seep into the Provincial Police Force?

A. I would think that it very well could.

THE COMMISSIONER: All right, Mr. MacKinnon.

MR. MacKINNON: Q. Well, would it also seep out -- apparently it was known to Constable Scott, on the evidence. Would it also seep out that Humphrey also had an interest in these -- in these mining claims? Not only Feeley and McDermott, that Humphrey was equally interested?

A. Well, there again, Mr. MacKinnon, I don't know about that. I don't know what you are defining Mr. Humphrey's interest in the mining claims as?

Q. Did he not have an interest in this company?

A. He was a provisional director, yes, sir.

Q. He was listed as president and the promoter of the company, wasn't he?

A. That is right, sir.

Q. Yes.

THE COMMISSIONER: Well, that is a little bit more than a provisional director.

MR. MacKINNON: And he continued on as a director, of course, didn't he?

A. I believe he is still a director to-day, Mr. MacKinnon.

Q. Yes. The company was incorporated by Mr. Nasso, wasn't it?

A. I believe it was.

THE COMMISSIONER: What company? Krno Mines?

A. I believe it was.

Q. You believe it was? It was as a fact?

A. Yes, I believe it was, Mr. Rosch.

MR. MacKINNON: And did you retain Mr. Nasso to act on behalf of Mr.Wright in the charges against him?

A. Did I which?

Q. Did you retain Frankie Nasso to act and appear on behalf of Robert J. Wright in the charges that were being made against Wright?

A. No, sir.

Q. Did you post his bail?

A. No, sir.

Q. Now, what discussion did you have with Mr. Maloney, then, coming back to him, with regard to these mining claims in the -- they are in the Big Duck Lake, aren't they?

A. That is right.

Q. Yes. Well, what discussions did you have with him?

THE COMMISSIONER: With whom?

MR. MacKINNON: With Mines Minister Maloney.

MR. ROSE: Concerning?

MR. MacKINNON: Concerning these mining

claims and companies you have mentioned to us? You have mentioned Motley Mines and you have mentioned Krno, and then you also said you sold some claims to Lehigh, I believe, and some to , I believe, Krno. Now, you sold some claims to ---

THE COMMISSIONER: Mr. Rose is rising to say something.

MR. ROSE: Mr. Commissioner, if I could make a statement to you, sir, with respect to part of the question asked by Mr. MacKinnon, this may very well deal with a matter which is presently before the Courts.

THE COMMISSIONER: Are you suggesting that it is?

C/T

MR. ROSE: Yes, I am, sir. As a matter of fact, I will state definitely to the Court -- to the Commission that it does,the conversations with the Mines Minister.

THE COMMISSIONER: If that is so, I am not going to hear it.

MR. MacKINNON: Well, I think my friend had better explain, because I would like to go into this in detail.

MR. ROSE: I would be more than happy to explain it to you during the recess.

THE COMMISSIONER: Well, we will have ten minutes recess now, and you had better come into my room, all counsel, and we will have this thing threshed out, and we won't get

anything in the press that we shouldn't have, if it should not come out.

MR. CARTY: I don't think the press could hear your last remark.

THE COMMISSIONER: It is important that they should. Sit down. I said that I will have counsel discuss the matter with me in my room, so that if this is the type of evidence that should not be in here, in view of the fact that there is a matter pending against this witness and McDermott in the Courts, that evidence should not be the subject of comment, or even be reported in the press, if it deals with matters that are now pending in the Courts.

---A short recess.

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D/FTP/1

MR. MacKINNON: Q. Now, witness, when I asked what discussions you had with Mines Minister Maloney ---

MR. WILSON: Mr. Commissioner, perhaps we should have some statement for the record.

THE COMMISSIONER: He is going to incorporate it in his question, I think.

MR. MacKINNON: Q. I asked you what discussion you had with Mines Minister Maloney in getting your first introduction to this Big Duck Lake area, and I am limiting my question in that connection to the discussion you had prior to any of your assays being taken up there.

THE COMMISSIONER: Prior to any assays being taken, you understand that?

A. Yes, I do.

MR. MacKINNON: Q. Now, what discussions under those circumstances did you have with Maloney?

A. About the claims, is it?

Q. Yes, did you tell him you were interested in it, or did he introduce you to these claims?

A. No, sir.

Q. Who was it got you interested in this area?

A. A chap by the name of Chillian.

THE COMMISSIONER: Spell it.

A. C-h-i-l-l-e-n.

MR. MacKINNON: I think it is "-i-s-n", sir.

THE WITNESS: May be.

THE COMMISSIONER: Is that claims in the Big Duck Lake?

MR. MacKINNON: Big Duck Lake area, yes.

Q. Was it after that that you went to see Mines Minister Maloney about this area?

A. I believe so.

Q. And were you requesting a favour of him, Maloney, that is?

A. No, sir. I don't think you could put it that way.

THE COMMISSIONER: Now, you had known him prior to that through Neil Harrington?

A. Yes,sir. I had a discussion with Mr. Maloney (I think this is probably what you are referring to) with regard to finding out about having a geological party sent in to the area in view of the fact that I was interested in approximately 400 claims in the area.

MR. MacKINNON: Q. And Maloney took you to the provincial geologist, Dr. D.M. Hurst, is that correct?

THE COMMISSIONER: You mean, they were having a geological survey?

A. Yes, sir.

Q. He took you to whom?

MR. MacKINNON: Q. Dr. D.M. Hurst, provincial

geologist.

THE COMMISSIONER: Is that right?

MR. MacKINNON: Q. Is that correct, witness?

A. Yes, I have spoken to ---

THE COMMISSIONER: No, no.

MR. MacKINNON: Q. Listen tothe question. Did Maloney introduce you to Dr. Hurst and make an appointment for you with Dr. Hurst?

A. I believe he did.

Q. And that was for the purpose of getting Dr. Hurst to instruct the local geologist up in the Lakehead to make this geological survey, isn't that correct?

A. I believe it was something along those lines, Mr. MacKinnon, yes.

Q. You had already convinced Maloney that he should so instruct, isn't that correct?

A. Oh, I don's know about that, Mr. MacKinnon.

Q. Wasn't Dr. Hurst instructed by Mines Minister Maloney to make this geological survey?

A. Well, the Department of Mines puts out fifteen ---

Q. Can you answer the question?

A. No, I don't believe I can, Mr. MacKinnon. I don't recall the Mines Minister instructing Dr. Hurst.

Q. Didn't Dr. Hurst object to doing it

and tell you so? Don't tell me you forgot that.

THE COMMISSIONER: What is your question? Did Dr. Hurst object?

MR. MacKINNON: Q. Yes, did Dr. Hurst object to conducting this geological survey in the first instance?

A. I have no recollection of him objecting to it, Mr. MacKinnon. He did not object to me as far as I recall, Mr. MacKinnon.

Q. Well, would you be there with McDermott or would McDermott go alone on occasions to see Dr. Hurst?

THE COMMISSIONER: How do you spell "Hurst"?

MR. MacKINNON: H-u-r-s-t, I believe.

THE WITNESS: I believe we were -- I can recall being in Dr. Hurst's office once with McDermott, but how many times he had seen him after that I couldn't say, Mr. MacKinnon.

MR. MacKINNON: Q. Well, in any event, you know Dr. Fyc, don't you?

A. Yes, sir, I do.

Q. He is the regional surveyor for the Department of Mines -- or, sorry, regional geologist up there?

A. Yes, he is the resident geologist in Port Arthur.

Q. And he was instructed then by

Dr. Hurst to make a survey, isn't that correct, of this area you were interested in?

A. I believe so, sir. I wasn't there at the time but I would be inclined to think -----

Q. Isn't it true that Dr. Pye did survey a tract of land and reported that the job was done, by the end of June, 1960, do you remember that?

A. Well, the geological survey was done in the year 1960 by Dr. Pye and his crew.

Q. Yes, but he did do and he reported that he had done it by the end of June, 1960, and you and McDermott were not satisfied with it and with him, and you told him that he had to survey much more and that if he didn't you were going to complain to Mines Minister Maloney and see that itwas done, is that correct?

A. I had several discussions with Dr. Pye. I don't recall this in particular, Mr. MacKinnon, but there was several -- I had several discussions with Dr. Pye whilst he was on the ground in and about that area.

Q. Didn't you tell him that if he didn't do it the way you and McDermott wanted it, that you would speak to Jim Maloney and see that it was done?

THE COMMISSIONER: Wait a minute. He completed a survey. Let us get that far first.

A. Well, he done a survey.

Q. All right, he did a survey which he said was complete, put it that way?

A. I don't know what he said, Mr. Rosch, but he did do a survey. He did do a portion of ground in the Big Duck Lake.

Q. He did a survey as a result of instructions from Dr. Hurst, in other words, he took the position that he had carried out Dr. Hurst's instructions?

A. It may have been so, sir.

Q. Yes, and then did you complain that he had not surveyed a sufficient area?

A. I might have. I don't recall it, sir.

MR. MacKINNON: Q. Maybe I will recall this to you. Didn't you or McDermott or maybe the both of you, then go to Maloney and complain and ask to have Dr. Pye instructed to continue the survey, enlarge it?

A. I may have, sir. I may have discussed the survey. It seems to me that I was in the bush all that summer, but subsequently I may very well have -- in fact I believe I did discuss the survey.

Q. No, not discussing the survey, but went to Maloney and complained that Pye

had not done what you wanted him to do and you wanted him instructed to do more.

THE COMMISSIONER: Is that right?

A. I don't recall that -- lodging any complaint of that nature to the Mines Minister, Mr. MacKinnon.

Q. Well, did you suggest to Maloney that Dr. Pye had not surveyed a sufficient area?

A. I may have, sir. I couldn't swear one way or the other.

MR. MacKINNON: Q. Is it not a fact that thereupon Maloney instructed, through Dr. Hurst, Dr. Pye to spend the rest of the summer on the project, enlarging the area of the survey?

A. I wasn't there, Mr. MacKinnon, I don't know what went on between the Minister and Dr. Hurst. As I recall, that summer I spent the whole summer in the bush, so what transpired between the Mines Minister and Dr. Hurst, that I couldn't even hazard a guess at.

Q. It has never reported to you as to why Dr. Pye went back in again and enlarged his survey?

THE COMMISSIONER: Did he in fact enlarge the survey?

A. Well, Mr. MacKinnon came up with this a few minutes ago here.

Q. No, no.

A. And I am a little confused, but I was of the opinion that Dr. Pye and his crew were there pretty well all summer.

Q. Listen to me. Dr. Hurst instructed Dr. Pye to make a geological survey, and you told me that Dr. Pye was of the opinion he had carried out Dr. Hurst's instructions?

A. Sir, may I interrupt you just a moment. I think that was Mr. MacKinnon's idea.

Q. No, that was my question to you. Dr. Hurst instructed Dr. Pye to make a survey?

A. Yes, sir.

Q. Dr. Pye made a survey and stopped, the inference being that when he stopped he did so because he was of the impression that he had completed Dr. Hurst's instructions to him.

Now, the next step as I follow the narrative, is that you and McDermott, or you or McDermott, went to Maloney and discussed the survey that Dr. Pye had, up to that time, made. You said that you may have suggested to Maloney that Pye had not surveyed a sufficient area. Now, have I got the thing fairly? Have I understood it and have I fairly stated it?

A. Well, sir, the survey, as I recall it happening, Dr. Pye and his crew came into Big Duck in the spring of that year.

Q. 1961?

A. Whatever year it was.

Q. It was 1961, wasn't it?

MR. MacKINNON: It was 1960.

THE WITNESS: I believe it was 1960, and, as I recall it, Dr. Pye was there through until September.

THE COMMISSIONER: Yes, all right. Now, at any time while he was there did yougo to Maloney and suggest to Maloney that Dr. Pye should enlarge on the survey that he had, up to the time that you were talking to Maloney, made?

A. I don't recall making that request to the Mines Minister, sir. It

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seems to me that there was some discussion at or on the property with Dr. Pye about covering more territory, or a larger territory.

Q. And what did Dr. Pye say? You brought up the matter, did you, with Dr. Pye?

A. I don't recall that.

Q. What was the substance of his reply?

A. I don't know whether he agreed with me or he disagreed with me. I just don't recall, Mr. Roach.

Q. All right. Now, after the discussion you had with Dr. Pye, did you go to Mr. Maloney, the Mines Minister, and discuss the matter with him?

A. I believe I had discussion with Mr. Maloney regarding the geological survey. Whether it was at that time or not, sir, I couldn't say,or whether it was later in the fall when I came out of the bush after Dr. Pye came out of the bush.

Q. Well, the discussion you had with Maloney, was it while Pye was still on the job?

A. I don't believe so. It may have been, sir. It seems to me it was in the fall after the mining season.

Q. All right.

MR. MacKINNON: Q. Did McDermott go in to see the Mines Minister about this survey at the time it was going on?

A. He may have, Mr. MacKinnon. I couldn't swear he did or did not.

Q. Now, around this time didn't your partner McDermott approach Mr. Eric Scott of J.H. Crang & Company, and tell Mr. Scott that Jim Maloney had an interest in this mine, these mining claims?

A. Not to my knowledge.

Q. That was never mentioned?

A. Mr. MacKinnon, I never heard at

all of that. I know that McDermott had talked to Mr. Scott, but I don't know anything about Mr. Maloney having any interest.

Q. Well, did Mr. Maloney have any financial interest in these claims?

A. No, sir, none whatsoever.

Q. So far as the treasury stock of Krno is concerned, did either he or any member of his family or a nominee of his receive any of the treasury stock?

A. No, sir.

Q. And to go back to this survey, you charged the Department for supplying a helicopter during that summer of 1960, is that correct?

A. It wasn't only a helicopter; it was the meals that ---

Q. All right, helicopter and meals?

THE COMMISSIONER: Mr. Wilson was rising ---

MR. WILSON: Mr. Commissioner, I have been listening to the questions and the answers, and I have been reading and re-reading the terms of reference. I submit that what we are doing now has no relevancy to the terms of reference.

THE COMMISSIONER: I am not so sure that you are right or that I agree with you.

MR. MacKINNON: I can see Mr. Wilson and Mr. Rose agreeing on this point, but with respect I think I made my point in your

chambers that this is of very real relefancy.

Q. So far as this charge for the helicopter, which I believe was $1,931.25, is it not true that Dr. Pye objected to paying that bill, saying to you and McDermott that he understood it was being provided as a courtesy and it would not have been used otherwise? That was his position, was it not?

A. I don't ever recall having any such discussbn with -- Dr. Pye, do I understand, Mr. MacKinnon?

Q. Dr. Pye,yes?

A. As a matter of fact, the Minister was very emphatic that the Department pay for any of our services that they be used.

Q. Thatis what I am coming to.

A. And he certainly did not want to have the Department of Mines in any shape or form indebted to us.

Q. You don't remember Dr. Pye then objecting to paying your bill and Mr. Maloney overruling it?

A. To the best of my knowledge, Mr. MacKinnon, he never objected to me.

Q. Did you go to see Mr. Maloney about this bill? You said how firm he was on it. You must have spoken to him about, I guess?

A. When are you referring to, before

or after?

Q. After you presented it?

A. I believe I made the bill up and I am not certain whether I took it in in person or whether I mailed it in to his Department.

Q. Why would you be having any discussions ----

A. Excuse me, if I may, Mr. MacKinnon. I believe, yes, I believe I sent a copy to Dr. Pye and a copy to the Minister or the Department of Mines.

Q. And then you had a discussion with the Minister about it?

A. I don't know of any particular discussion with regard to it. There may have been some discussion but I believe the bill was approved by Dr. Pye.

Q. You told us that the Minister was very emphatic that your bill be paid, so you must have had some discussion with him?

A. I believe the discussion would be some time prior to the geological party coming on the property.

Q. Now, Cyril Clark has sworn here that you advised him that you had got these mining claims through your connections with Mines Minister Maloney. Is that true?

MR. WILSON: What page are you referring to?

MR. MacKINNON: 727, Volume 4.

Q. Is that true?

A. No, sir.

Q. Well, why would he say that?

A. Why would he say it?

Q. Yes, why would Cyril Clark ---

THE COMMISSIONER: Better ask Mr. Clark.

MR. MacKINNON: I did ask him and he was a reluctant witness in this connection, but he did finally say that he had said these things to him.

Q. Did you phone Clark?

A. When?

Q. Any time. Did you phone Cyril Clark?

A. Oh, yes, I have talked to Mr. Clark on the phone.

Q. Did you talk to him about your gold mines?

A. I may very well have.

Q. But you never told him at any time that you had got these claims through your connections with the Minister of Mines?

A. Never, sir.

THE COMMISSIONER: You say you did not get them through the connection with Mr. Maloney?

A. Pardon, Mr. Roach?

Q. You say you did not get them through your connection, as a result of your connections with Mr. Maloney?

A. No, sir.

MR. WILSON: The statement on that, Mr.

Commissioner, the answer Clark gave was:

"Well, that he got -- it was in some "connection with the Minister of "Mines, but this is only hearsay "now."

MR. MacKINNON: Please read on. Better read on further in the cross-examination where he is talking to the Commissioner:

"THE COMMISSIONER: Mr. Clark, we are "asking you what Feeley told you?

"A. Well, that is right.

"MR. MacKINNON: Did he identify the "Minister of Mines?

"A. No, he didn't. It was the "Minister of Mines. Now, I -- I "don't know who it was, but he said --- "

That is Feeley --

" --- the Minister of Mines.

"Q. And what did he say about it, "please? Let's have it.

"A. Well, that is -- that is how "he got it, through some connection. "That is all I can tell you.

"Q. What was the connection?

"A. The Minister of Mines."

That is not hearsay, that is a direct statement he is saying to me now.

THE COMMISSIONER: All right, that is Clarke's statement. This witness swears that he did not get it as the result of any connection

he had with Mr. Maloney.

MR. MacKINNON: That's fine, and he also swears he did not say this to Clarke, that is what I wanted to get correct.

Q. That is correct,witness, is it not?

A. Yes, sir. I may have talked about the Department of Mines, but I never at any time said to Mr. Clark that I got, as you put it, these claims, or ---

Q. I didn't put it. Mr. Clark put it.

A. I don't know who put it. I can't keep track of where you are getting your words.

Q. I am just reading it to you, witness. Just talking about Cyril Clark, you called him very shortly before your most recent trial, didn't you, about him giving evidence at the upcoming gaming charge, isn't that correct?

A. Are you referring to in March of this year?

Q. That is right.

A. I don't believe I did.

Q. You did not tell him about the fact that he was going to be a witness and that he need not worry about giving evidence: it was all right?

A. No, sir, I don't recall having that

conversation with Mr. Clark.

Q. I take it you did not know he was going to be a witness?

A. I don't believe I did.

Q. Now, just turning to Simple Finance for the moment, did I understood you, I believe in June, to state that you and McDermott had put $50,000 into that company, is that correct? It shows it in the return, that there was $50,000 cash put in.

A. I think that I can explain just how that happened, Mr. MacKinnon.

THE COMMISSIONER: Q. Did you put $50,000 into it?

A. It was approximately $50,000 put into Simple Finance, but as stated to Mr. Wilson the other day, Simple Finance and the Jacobus gilt-edge stock transaction is grouped together, sort of one deal. The total moneys involved, it was split up five ways between five different people. So that whether I actually put up the cash for that this time, that would probably be so.

MR. MacKINNON: Are you telling me that there was somebody else besides you and McDermott who were going to have an interest in this Simple Finance?

THE COMMISSIONER: He said that already.

A. Yes, that is right.

MR. MacKINNON: Q. There were another three people, were there?

A. In the two transactions, yes.

THE COMMISSIONER: No, no, in Simple Finance?

A. Another three people in both transactions, yes.

MR. MacKINNON: Q. You stated that when you got the $50,000 -- did you get the $50,000 back out of Simple Finance?

A. I don't know the exact date, even close to the exact date, Mr. MacKinnon, but it was subsequently withdrawn from the bank and disbursed accordingly.

Q. Disbursed to the five men, is that it?

A. Yes.

Q. You did not disclose the interest these other three men had in the Simple Finance, did you, to the Superintendent of Insurance?

A. I don't know whether that was disclosed at the time or not.

Q. You didn't disclose it to Mr. Herman. He didn't mention it.

A. Possibly not, Mr. MacKinnon.

Q. What was the reason for that? Why wouldn't you tell your solicitor?

A. I don't know. I probably didn't think it was important, Mr. MacKinnon.

Q. Who were these three men? Was Hirsch one of them?

A. Yes.

Q. And Oliver?

A. Albury and Downs.

Q. That wasn't the name ---

A. Downs was an officer, I believe, of the company.

Q. Originally he was but then he was moved out?

A. Possibly so.

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E/1/D.C/N

Q. In 1958. But what was that third name? Oliver?

A. Albury.

Q. How do you spell that?

A. A-l-b-u-r-y.

Q. And what is his first name?

A. Lambert.

Q. Where does he come from?

A. He is a Bahamian.

Q. Does he live in this country?

A. No sir, he lives in Nassau.

Q. Now also in connection with the Simple Finance, as you have been aware, there are some phone calls to Mr. Jolley from the number you were using in 1958 and charged some of your phone calls to. Now, do you now swear you never spoke to Jolley on the telephone in May, 1958?

A. Yes, sir.

Q. Can you give me any idea as to whom might be calling Jolley on that phone?

A. No, sir, my phone arrangements were with Ginsey, so I would have no way of knowing.

Q. You were using the phone. You don't deny that?

A. No, I believe I gave evidence yesterday, Mr. MacKinnon, that I billed calls to that number.

Q. Mr. Maloney never introduced Jolley

to you?

A. No, sir.

Q. Do you know whether he introduced Jolley to McDermott?

A. Not to the best of my knowledge, sir.

Q. Now also in these exhibits, this time Exhibit 187, a letter written by Herman -- I am sorry, it is not 187. Yes, it is the second letter of 187. There are two letters. Mr. Herman apparently on your instructions states that you were associated in John H. Feeley Limited.

Did you tell Mr. Herman you were associated in that company?

A. I don't believe I ever told him that. Over a period of years, possibly he may have got that impression. I believe that -- it seems to me somewhere along the line Mr. Herman had mentioned to me the fact that he had met my brother through some type of real estate deal over the years.

Q. I see. So you say he put this in on his own and not on any instructions from you?

A. To the best of my knowledge, sir, no.

Q. Well, now, you have told us that this -- your brother's company or your brother collected rentals for you on your apartment

building; is that correct?

A. Yes, sir.

Q. Now, did he make any other collections for you?

A. What type of collections?

Q. Any kind of collections. Mortgages or any other interests you had?

A. The only other one that I recall is the one I mentioned to Mr. Wilson yesterday, the property on Grenville Street. I believe he was the agent in that, to the best of my recollection. And that is, to my recollection, the limit of our business dealings.

Q. Now, still with the Simple Finance, Exhibit 188, ~~it~~ letter of September 21st, 1956, Mr. Herman is writing about who the people will be who are to be involved in Simple Finance, and one of the names he mentions is David Downs, C.P.A. I take it that is the same David Downs who was a back end for you that you have described for us?

A. Yes, sir.

Q. Is that the same man?

A. Yes, sir.

Q. He was also one of your associates in the Jacobus transaction?

A. That is right, sir.

Q. Who else was your nominee, as of that time, in this Simple Finance company? Yours and McDermott's nominee? Who was

representing your interests? David Downs was one of them, wasn't he?

A. Mr. MacKinnon, I have tried to explain this company never was active. Never became active.

Q. I quite realize that, but you were getting different organizations over a period of some two or three or four years, and we have seen a lot of correspondence on it. Now this letter in 1956 referred to a Mr. Alchuk, a Mr. Resnick and Mr. Downs and Mr. Turner. And we understand from Mr. Herman that some of these men were your nominees, yours and McDermott's nominees. I take it David Downs was one of them?

A. Yes.

Q. Who were the others?

A. Turner. Did you mention Turner?

Q. Yes.

A. Yes, and the other name.

Q. Donald Resnick?

A. I don't know whether he was a professional director, as someone Mr. Herman knew. I have heard the name and I believe he is an accountant, Mr. MacKinnon, and the other name, it has just skipped my memory.

Q. Alchuk.

A. I am not familiar with that name at all.

Q. Now, did this Lambert Alburymhave

anything to do with the Cat Cay Club you mentioned the other day?

A. No, sir.

Q. Well, was he a gambling associate of yours?

A. No, sir, he is a business man in Nassau.

THE COMMISSIONER: Q. What kind of business is he in?

A. He is in business. He has a canning factory and in the cement block business. He has some interest in some financial institute there and I just don't know the details of it, sir.

MR. MacKINNON: Q. Am I correct in this, witness, your evidence was that you have no other interest, bank accounts, or anything else, outside of Ontario, other than this interest in a gambling franchise in the Cat Cay Club; is that correct?

A. Would you just repeat that, sir?

Q. You have no other interest outside of Canada or outside of Ontario, I will put it that way, other than your interest in the Cat Cay Club?

A. In gambling? Is that what you are referring to?

Q. In anything.

A. That would be correct, Mr. MacKinnon.

Q. Do you have a bank account down there?

A. No, sir.

Q. Do you have any interest in any property in Jamaica?

A. No, sir.

Q. Either directly or through a nominee?

A. No, sir.

Q. Incidentally, is the Cat Cay Club a legal gambling enterprise or establishment?

A. Governed by the Bahamas government.

Q. Do I understand you to say you have a half interest in that franchise or a complete interest with McDermott?

A. Well, sort of a half interest with a half of a half.

Q. I see. With McDermott?

A. Yes.

Q. And the other half -- Do any Toronto interests have any interest in the other half?

A. No, sir.

Q. Are you sure of that?

A. As I said before, [illegible] Ginsey had a piece of the Cat Cay, but other than that there would be no other interest.

Q. No other interest in the other half. Who did you say held the other half?

A. The Cat Cay Club.

Q. It, itself, owns the other half?

A. Yes, sir.

Q. You don't know who controls it?

A. No, I couldn't swear who controls it, at all. It is a Bahamas Company.

Q. Well, you stated you, I believe, sent some men down. Pickett was one of them; is that correct?

A. Yes, sir.

Q. What was he to be? Did you say a stick man?

A. I don't think I said that, but he would be a croupier.

THE COMMISSIONER: Q. A what?

A. A croupier.

Q. A croupier.

MR. MacKINNON: Q. Had he worked for you before?

A. A few years back out at the club at Cooksville, yes sir.

Q. Where -- what is Mr. Pickett's first name?

A. Fred.

Q. Where does Fred Pickett work in the summer months?

A. He works at the racetrack.

Q. Is that at the $50 wicket at Woodbine?

A. I believe it is.

Q. Have you ever laid off bets with

him there?

A. No, sir.

Q. Are you sure of that, too?

A. Yes, sir.

E/2 Q. Well, with regard to layoffs, have you ever laid off bets with anyone in the United States, when you were a bookie?

A. No, sir.

Q. Who would be the layoff there?

THE COMMISSIONER: Q. You are certain about that?

A. Oh, definitely, sir.

MR. MacKINNON: Q. Who would be your layoff centre here?

A. I don't think I can truthfully say I ever had a layoff centre.

Q. Did you ever make a trip to Worcester, Massachusetts?

A. Where?

Q. Worcester, W-o-r-c-e-s-t-e-r.

A. No.

Q. Never?

A. Never.

Q. Did McDermott ever go?

A. Not to my knowledge.

Q. Did you tell us you had quit taking bets four years ago? I believe you said something to that effect.

A. Oh, I don't think so, sir. Not four years ago.

Q. Well, how long ago? I think you said you quit once you moved into the Benvenuto or shortly after; is that not correct?

A. The dates, there again, sir, I couldn't be sure, but I think I said it would be quite some time after that.

Q. Well, would you have been taking bets as recently as May of this year?

A. No, sir.

Q. Well, Sammy Balsom stated he had placed bets with you and McDermott as late as May of 1962.

A. He may have bet with McDermott. I don't know, sir.

Q. Do you have an interest in that, if he was betting with McDermott?

A. Not necessarily, Mr. MacKinnon. A lot of times one bookmaker will bet with the other bookmaker, but it isn't actually making a bet. It is a Miami bet. You can pick a horse in a race and I can pick a horse in a race, a Miami.

THE COMMISSIONER:,Q. What?

A. A Miami, sir. It is an expression. It is called a Miami bet.

Q. I don't understand that. Explain to me what a Miami bet is.

A. In any given race you will take a horse in the race and I will take a horse in the race for a given sum and it is pre-

determined whether we are betting to win or second place or show, and if both of the horses are out of the money then neither one of us win or lose, but if either one horse wins or places at all, according to what position you have bet, then you make an adjustment.

MR. MacKINNON: Q. Sammy Balsom said he was placing bets with McDermott. Do you know whether that was true or not?

A. I couldn't swear one way or the other, Mr. MacKinnon.

Q. And how long have you known P.J. Macnamara? Make it J.P.

A. I believe it is J.P. It is, roughly guessing, maybe five, six, seven years.

Q. Well, you knew him at least in 1954, didn't you?

A. I may very well have, Mr. MacKinnon.

Q. And you made him vice-president of this company, White Falcon?

A. I believe he was a director.

Q. You made him a director of KRMO, as well?

A. That is right, sir.

Q. After Pleschuk was convicted, you made J.P. Macnamara president of the Vets Club, didn't you?

A. Yes, I believe he was president or vice-president.

Q. He was acting as a front for you,

wasn't he?

A. He was a nominee, yes sir.

Q. And isn't it true, it was this same Macnamara who got the licence or charter or whatever you like to call it from the Army, Navy Veterans Headquarters on June the 8th, for both the Centre Road Club, 326 and 327 Rosedale -- or Roseland, I am sorry --

A. I believe he was instrumental in securing these charters from the Command.

Q. He had some influence in that organization, didn't he?

A. I believe he has been affiliated with them for some 25, 30 years.

Q. And this was your connection with this organization? It was through Macnamara, wasn't it?

A. Well, as I said to Mr. Wilson the other day, McLaughlin knew two or three people in the Army and Navy quite well. I don't know just who, there.

Q. Yes, but Macnamara was much more important in that organization, wasn't he?

A. Than McLaughlin, sir?

Q. Than McLaughlin was, yes.

A. Oh, I don't know about that, sir.

Q. Now, you say he was instrumental in getting you these charters or licences in 1954. What did you pay him for them?

MR. ROSE: I don't believe he said

"getting you". I wish my friend when putting the evidence would put it correctly. The previous reference was "gettingthem", and not "getting you".

MR. MacKINNON: Q. All right,in getting these charters. You were in charge at that time, at least you and McDermott, of the Vets Club, the Centre Road Vets Club. You told us that all right?

A. Yes. The Alpha Club you are referring to?

Q. Yes.

A. Yes.

Q. He would be getting those charters for you?

A. A few properties.

Q. What did you pay him?

A. I didn't pay him anything.

Q. You said one thing. You needed your charter. You deny that your charter would be worth something to you?

A. Apparently the Army and Navy didn't sell them. They issued them.

Q. The Army and Navy didn't sell them, of course they didn't, but I am wondering about having friends who were able to get them for you. Was he just doing this for friendship's sake?

A. I would say so, sir.

Q. He must have been quite a close

friend of yours by that time?

A. I would think we were very good friends over the years, yes sir.

THE COMMISSIONER: Q. Did you approach him about it?

A. I don't know whether -- it seems to me that I have discussed on several occasions with McLaughlin, and then I or McDermott would have discussed it with Mr. Macnamara, yes.

Q. That is hardly answering the question. Did you speak to him?

A. I would think so.

Q. You lost a lot of time on that one question.

MR. MacKINNON: Q. How about the Roseland, about that charter, which was granted the same day as the Centre Road Vets? What did you have to do with Macnamara on that one?

A. It seems to me that Gardner was acquainted with Macnamara.

Q. It seems to you?

A. Now, I am not certain whether Macnamara knew Gardner or whether he was introduced to Macnamara by either McDermott or myself or just what the original association was between Macnamara, but it would be Gardner, as I recall, that would discuss that charter with Mr. Macnamara.

Q. So you were working sort of in conjunction with Mr. Gardner to get these two

charters or licences, whatever they are called, in 1954. In the same fashion as you worked with him in 1957.

A. Well, Mr. MacKinnon, Gardner had a club long before I was ever interested in the Alpha Club. And he was interested in some, or had some charter. He and Finnegan were interested and had charters long before I was interested in them, so that when you say "in conjunction" I knew Gardner as well as I know Macnamara, and knew them both over the years, and we had an interest ---

Q. In things in common?

A. That is very well put, Mr. MacKinnon.

Q. I thought it was.

THE COMMISSIONER: Q. Am I right, the getting of these Federal charters, and in particular, the getting of the one for the Roseland Club, was left by the persons in Windsor to you and McDermott. In other words, they didn't seem to know much about how it was being operated?

A. Gardner didn't?

Q. Gardner and Finnegan. They knew of a Mr. Herman who was a solicitor in Toronto, and the actual operations which led to the issuing of the charter was left to you and McDermott. I am putting that to you.

A. I don't think so, Mr. Roach. It seems to me that Gardner was well aware of

how the Army and Navy charters were issued. But I have it in the back of my mind that there was one or if not two of these charters around Windsor, or some such same type of charter.

Q. And not a Federal charter?

A. Well, I am only guessing, Mr. Roach. I have given you my opinion.

Q. I am putting it to you again, that the actual obtaining of the charter for the Roseland Club was left substantially with the persons in Toronto, and those persons were you and McDermott and the solicitor was Mr. Herman. What do you say as to that?

A. Well, sir, as I recall it, Gardner would be here in Toronto and would have talked to Mr. Herman on occasion and possibly Mr. Macnamara, and certainly McLaughlin, and that led to the subsequent issuing of the charter.

Q. I am not suggesting that Gardner didn't know that the matter was under way, but it was left substantially to you and McDermott to arrange for it, how itwould be obtained, how you would get it and details of that sort.

A. No. My memory of that, sir, I believe Gardner would have come into Toronto and would have discussed it with myself and McDermott and possibly Macnamara, and possibly Mr. Herman, and possibly McLaughlin, and it seems to me he would instruct Mr. Herman to act for him on obtaining one.

Q. That is your explanation?

A. To the best of my recollection, yes sir.

MR. MacKINNON: Q. The reason, witness, you were getting these charters from the Army, Navy Veterans Headquarters, was because you were in danger of losing the charter you had then? Is that correct?

A. It was suggested by one of the defense lawyers, I don't recall just who it was that handled ---

Q. I am talking about 1954.

THE COMMISSIONER: Let him finish, please. Go on.

THE WITNESS: That handled the appeal, or appeared on the case of the Alpha Club charter, that this charter was share capital, and that another charter should be secured because it didn't come under the Companies Act in some way, shape or form.

THE COMMISSIONER: Q. That the Federal charter be obtained?

A. I don't know whether it was just advised about whether it was Federal or Provincial.

Q. I am putting it to you, that was the suggestion that came from the lawyer?

A. It may have, sir.

Q. And that is what was actually carried out?

A. I couldn't agree with you that

was a specific suggestion.

MR. MacKINNON: Q. The Alpha Club was a Federal charter, itself, wasn't it?

A. Yes, sir.

Q. And you had been told and notified you were, in effect, a subsisting corporation. Do you remember that?

A. Under social clubs, yes.

Q. That is right. So you had to go and find a substitute; is that correct?

A. I would think so.

THE COMMISSIONER: And it was to be a Federal charter.

MR. MacKINNON: Well, a Federal licensing. It doesn't come from the government, what they got, it comes from the Dominion Headquarters.

THE COMMISSIONER: I understand that. But it was not a Provincial charter.

MR. MacKINNON: No, it certainly was not.

Q. And similarly, with what you call Gardner's club down in Windsor, they had lost their charter, as well, the Border City Press Club, and they were looking for a substitute?

A. Yes, I believe they did.

Q. You now tell us Macnamara did this for you purely out of friendship?

A. Yes, sir.

Q. And didn't receive a cent?

A. No, sir.

Q. Do you know whether anyone else was paid for it?

A. The only remuneration would be in fees to Mr. Herman, to the best of my knowledge.

Q. Well,now, we are talking about the Alpha Club, and what interested me was your evidence that Big Harry Taylor invited you and McDermott in; is that correct?

A. Yes, sir.

Q. Did you have to pay him for this invitation?

A. No, sir.

Q. Or did you invite yourself in?

A. I don't understand what you mean.

Q. It was Big Harry Taylor that came to you, I take it,and said, "I have got a charter here and a gaming operation. Would you like a piece of it?"

A. That is right, sir.

Q. But you didn't have to pay him anything for it?

A. No, sir.

Q. Why would he invite you and McDermott in?

A. Well, I have known him probably since I was twelve or fifteen years of age and he knew I was a gambler, and he was a gambler all his life.

Q. But there are lots of other gamblers.

Why wouldn't he want to keep this to himself? What can you offer, and McDermott?

A. I don't know that I can offer him anything.

Q. Did you tell him you had connections with the Provincial Police that might help in the operation?

A. No, sir.

Q. When did Big Harry die? Do you know?

A. No. It seems to me it may be three or four years ago. I would only be guessing.

Q. He was still living in 1954?

A. Oh, I believe so.

Q. And how was it you were able to take over control, after him inviting you in, in about 1952, I believe you told us? By 1954 or the early part of it, you and McDermott had control. How did you work that?

A. It seems to me Big Harry had a couple of heart attacks and couldn't stay up in the night time and he gave up all gambling in the last few years.

Q. This would be as early as 1954?

A. There again, Mr. MacKinnon, the dates. I have no record of dates, all I am telling you is to the best of my ability, sir.

Q. Now also in describing to us the game that went on, you stated that you

would use your money. This is page 9918. You would use your money for the bank crap game. Now what I would like to know is if you were using your money to bank the game,why was there this fluctuating percentages among you, as you described to us?

A. I don't see the relationship, Mr. MacKinnon.

Q. You stated you would have 15 per cent and McDermott would have 10 per cent and Riggs would have 20 per cent and it would vary from night to night; is that correct?

A. Yes, sir.

Q. Why would you be banking a game completely by yourself if there were these fluctuating percentages?

MR. ROSE: He didn't say that. He said he used his money to bank the game.

THE WITNESS: I didn't say that.

MR. MacKINNON: I would like Mr. Rose not to prompt the witness.

MR. ROSE: I would like Mr. MacKinnon in asking his questions not to make mis-statements.

THE COMMISSIONER: He said, "My money was used for the banking."

MR. ROSE: Exactly. He did not say,as Mr. MacKinnon put it, "You banked the games completely by yourself."

MR. MacKINNON: Q. If your money was being

used -- it was your money?

A. Used, yes.

Q. That is what you meant?

A. My money.

Q. Why was your money being used?

THE COMMISSIONER: Q. I suppose the credit of these other men was good?

A. Which men?

Q. The other men getting a percentage?

A. Absolutely.

Q. And if there was a loss, you wouldn't bear the whole loss, would you?

A. Not a bit. Maybe I can clarify it for you, Mr. MacKinnon.

MR. MacKINNON: Q. Please do.

A. My cash would be used, but if someone won, I would pay, and at the end of the night, whatever the tally was, it would be divided accordingly.

Q. According to the percentages you hadtalked about?

A. Pre-determined.

Q. Earlier in the evening?

A. That is right.

THE COMMISSIONER: Q. If there was a loss, it would be borne percentage-wise?

A. That is right, sir.

MR. MacKINNON: Q. How much money would you put up for these games? You are the one who put it up. You would have some idea.

A. Maybe I can straighten you up on that.

THE COMMISSIONER: Q. How much money would you have available on hand in banking a game and anticipating losses?

A. I might have $10,000 one night and $18,000 some other night. I may have $5,000 some other night. It fluctuated. There was no hard and fast amount.

Q. You never went bankrupt any night?

A. With what I had in my pocket?

Q. Yes.

A. I would say that I lost what I had in my pocket, on occasion.

Q. Up to how much?

A. Well, there I am hazarding a guess, sir. It may be three or four or five, six, seven thousand.

Q. Well, when that happened, the game just stopped?

A. Probably, sir.

Q. Well, would you send out for more money?

A. Well, if it ran over that, I might owe somebody for the next day.

Q. Somebody else would put money up? You never stopped operations because the money you brought out there that night was all exhausted.

A. I might have to owe somebody. If

my money was liquidated or somebody else was there that I could borrow some money off. That could very well be. Maybe I would owe somebody for the next day.

MR. MacKINNON: It is a little after one, sir.

THE COMMISSIONER: Oh. Well, it is not, according to my watch, but it is close enough to it.

---Whereupon further proceedings then adjourned until 2:15 o'clock p.m.

(Page 10345 follows)

AA/RJH/1

---Upon resuming at 2.20 p.m.

---The witness resumed the stand.

MR. MacKINNON: Q. Witness, we were dealing with the Alpha Club, subsequently No. 326, and Mr. Wilson in his examination of you digressed at that moment to the Riverdale Club. So, I will follow his examination and do likewise. Did you say that both Clark and Blair were your nominees, or looked after your interests, in the Riverdale Club while you could not be there?

A. Yes, I think so.

Q. And Blair had quite a criminal record at this time, didn't he, Eddie Blair?

A. I wasn't aware of this. I believe he had been convicted on a few gaming ---

Q. He was convicted of more serious offences than that, wasn't he? Wasn't he convicted of breaking and entering, and assault charges, armed robbery?

A. I wasn't aware of all of those things, Mr. MacKinnon.

Q. Didn't he have a reputation of being the strongarm man?

A. Not as far as I was concerned.

Q. You did not use him for that purpose?

A. No, sir.

Q. Did you ever use Papalia for that

purpose?

A. No, sir.

Q. When did you first meet Papalia?

A. I believe it was in Guelph -- I believe it was in Guelph. He was in Guelph at one time when I was there.

THE COMMISSIONER: In the reformatory?

A. Yes.

MR. MacKINNON: Q. That is when you made his acquaintance?

A. Yes.

Q. Did you become friends after that?

A. No, I would not say that.

Q. And you now swear that he at no time had any interest in the Vets Club -- Centre Road Vets Club?

A. Yes, sir.

Q. And did you ever use him at any time to recover debts that were owing to you at the Vets Club by some of the bettors there?

A. I never in my life.

Q. I believe you told us he was out to the club on occasions?

A. Yes, sir.

Q. And was he a member?

A. I don't believe so. I think it would only be two or three times that he had been out there.

Q. I take it you know Maxie Bluestein

well, do you?

A. I know Max Baker.

Q. How long have you known him?

A. Oh, possibly ten years.

Q. Now, do you also swear that he at no time had no interest in the Centre Road Vets Club?

A. Yes, I do.

Q. Was he a member?

A. He was out there on occasions.

THE COMMISSIONER: Are you confining that to the Centre Road Vets Club?

MR. MacKINNON: Did he have any interest in any of the other clubs that you and McDermott had an interest in?

A. No, sir.

Q. At no time?

A. No, sir.

Q. Well, while you had your interests?

A. I never was in business with the man.

Q. Did you ever have occasion ---

THE COMMISSIONER: To your knowledge did he ever try -- to use the vernacular -- "horn in" on the Centre Road Vets Club?

A. Not to my knowledge, sir.

MR. MacKINNON: Did Papalia ever try -- to use the vernacular -- "horn in" on the Centre Road Vets Club?

A. Not to my knowledge, sir.

Q. Did you ever have occasion to call any man from Detroit to Toronto to discuss any problems with Papalia, that you might have had?

A. No, sir.

Q. Did you ever have a meeting with a Mr. Maggadeno?

A. No, sir.

Q. Did you ever meet a Mr. Maggadeno?

A. No, sir.

Q. Do you know whether McDermott did?

A. No, I don't know that.

Q. Did he ever discuss this with you?

A. No, sir.

Q. Well, just in connection with this Riverdale Club, I believe you acknowledged to Mr. Wilson that Mr. Gebirtig was being paid $100 a month in connection with that club, is that correct?

A. I don't believe I said that, Mr. MacKinnon, I think I said ---

Q. I thought so too ---

MR. ROSE: Let him finish his answer.

THE WITNESS: I said I did not know, that I did not pay him any $100.

MR. MacKINNON: Q. So you don't know whether he was being paid or not, is that your position?

A. That is right, sir.

Q. Now, going back then to the

Vets Club, in 1954 when you got your charter, you have been asked about this raid in November of 1954. Now, did you at the time of the raid leave $800 under the carpet?

A. Leave which sum?

Q. $810, I believe it was, under the carpet, or under the rug on the premises, which was later returned?

A. Yes, I believe I did.

Q. Yes. And, that was your $810, wasn't it?

A. As far as I know, yes, I believe it was.

Q. And George Reid at the time of the hearing, on November the 24th, 1954, claimed this $810, isn't that correct, and said it was his?

A. At some time he did.

Q. Yes, and he was just another nominee of yours, wasn't he, in your operations? George Reid was an employee, wasn't he?

A. Reid worked for me over the years, yes.

THE COMMISSIONER: Did you get it from Reid?

A. Pardon, sir?

Q. The $810 that was left under the rug, you say it was your money, Reid later claimed it, and did Reid turn it over to you?

A. As I recall it, yes, sir.

MR. MacKINNON: And you told Corporal Shrubb, as he then was, that this was so, didn't you, in one of your conversations with him, you told Corporal Shrubb that that money which Reid had, wasn't really Reid's at all, that it was yours -- do you remember telling Shrubb that -- don't you?

A. No, I don't.

Q. Well, he has sworn that you did. You would not deny that, I take it, because here is the truth.

A. I could have told him that, I could have ~~xxiim~~ told that to Shrubb.

Q. Then, on the same occasion, we have heard evidence that Mr. Kennedy, the late Mr. Kennedy phoned in the morning to the Attorney General to find out what this raid was all about. Now, do you know who spoke to Mr. Kennedy about this?

A. I have no idea, sir.

Q. Would Mr. Turner, Mr. Lincoln Turner, have spoken to him?

A. Not to my knowledge.

Q. He was your president at that time?

A. I believe so.

Q. He was another nominee of yours, wasn't he?

A. That is correct.

Q. Then turning to 1957, on these three clubs, the Frontier Club and the Roseland Club and the Centre Road Club, I wonder if you would tell me why you were prepared, you and McDermott, to surrender -- let us limit it to one charter -- your charter for the Centre Road Club, which you had, and which you had acquired through McNamara in 1954, why were you prepared to surrender it in June or July of 1957, and take a provincial charter?

A. Well, as I recall it, Mr. MacKinnon, it was upon this suggestion of either the Attorney General's Department or the Provincial Secretary's Department, I am not certain, of correspondence they had with Mr. Herman, suggesting that that provincial charter would bring us under provincial jurisdiction.

Q. Yes, but why would you go along with the suggestion, I don't care who made it, but why were you prepared to accede to it?

AA/2

A. Well, one charter was equally as good as the other.

THE COMMISSIONER: In what way?

MR. MacKINNON: Just a moment, isn't it a fact, witness, as Gardner has told us here, that you were on the verge of losing your federal license, and you needed a new lease on life, as he put it, isn't that so?

A. No, I don't believe so. I don't

believe so. I think that -- I am not certain of the dates, Mr. MacKinnon, but I think that the charter was in good standing with the Provincial Command.

Q. I am talking about the Central Dominion Command on which you got these charters.

A. The Dominion or wherever it was issued from.

Q. So Gardner is mistaken in his view that the charters were in jeopardy?

A. I wouldn't say that, Mr. MacKinnon, as I recall -- I am telling you what I recall to the best of my ability.

Q. You may be wrong?

A. I may be.

Q. Well, then, explain to me again, please, why you were prepared to give up this federal charter, which you say was in no danger, and take a provincial charter? How do you answer that?

A. Well, there again, in my view, Mr. MacKinnon, one charter is equally as good as the other, and that it was upon the suggestion of Mr. Herman, and I didn't say anything one way or the other.

Q. If one was equally as good as the other, why didn't you stick with your Dominion charter?

A. I believe the Provincial Police

had made representation, I am not certain whether it is to the Provincial Secretary's office or to the Attorney General's office, that we were out of their jurisdiction with the federal charter.

Q. You would be out of the Provincial Police's jurisdiction? They were raiding you, weren't they?

A. That is right.

Q. What do you mean by being out of their jurisdiction?

A. It seems to me that they had made some recommendation that the charter could not be cancelled.

Q. And you wanted to co-operate with the police, is that it? Is that what you are telling us?

A. No, I didn't say that, Mr. MacKinnon. As I said, it seems to me that Mr. Herman advised that this would be the proper thing to do, and in this instance we went along with his opinion.

Q. Well, Mr. Herman advised us here that it was you people who instructed him to go along with this.

A. Well, then, it may very well be. That may very well have been -- I am just guessing, as I recall it occurred with him on his suggestion.

Q. Well, he said that he could not

do it, he was only counsel, he would have to take it back to you people, and you and McDermott, and that he did take it back to get his instructions from you, and that you instructed him to take out the Provincial charter?

A. Well, that would be right.

Q. Were you advised at that time that there would be a lessening in these police raids?

A. No, I don't recall ever having such knowledge.

Q. Well, Bartlett has sworn here -- Bartlett has sworn, and it is buttressed by his diary, which is filed as Exhibit 143, that on July the 8th, 1957, before these charters were actually issued, or at least dealt with on July the 11th, that you and McDermott came to see him, and we have heard some evidence on that from him, and he stated that you or McDermott stated to him that you thought orders might have been issued re new policy for Anti-Gambling Branch. So, apparently you had some idea of a new policy as of July the 8th, 1957. Is that correct?

A. No, sir.

Q. Do you swear you did not say this to him?

MR. ROSE: He has already.

MR. MacKINNON: I wish Mr. Rose would not interrupt me.

THE COMMISSIONER: Mr. Rose, will you let Mr. MacKinnon conduct his own cross-examination.

MR. MacKINNON: Let him answer. I am worried about this man.

THE WITNESS: Could you phrase the question again, please?

MR. MacKINNON: I said, do you now swear that you didn't, or McDermott didn't, in your presence, make these remarks or ask this question to Mr. Bartlett, namely, that you thought orders might have been issued re the new policy in the Anti-Gambling Branch?

A. I believe Mr. Wilson asked me that yesterday, and I say no, as I said then, that I didn't ever recall hearing that conversation.

Q. You swear you didn't say it then?

A. Yes, I do.

Q. So it is either that you are mistaken, or Mr. Bartlett?

A. I suppose.

Q. Now, I take it when you were negotiating, or considering the question of getting these new charters in 1957 from the Province, Herman has told us he was acting for all three clubs, the Roseland,

Centre Road, and Army, Navy and Air Force, and that you were sort of acting at least as an intermediary, or go-between, I think is the word he used, for the Roseland Club, and the Frontier Club, in the Township of Bertie. Now, at that time when you were sitting down with your friends trying to consider what you were going to do, did you discuss the fact that all three clubs were having a hard time of it because of the police raids?

A. With whom, Mr. MacKinnon?

THE COMMISSIONER: Among yourselves.

MR. MacKINNON: Among yourselves?

A. I don't recall having a discussion along those lines, Mr. MacKinnon.

Q. Well, now, we have here an exhibit, Exhibit 75, a report by the Commissioner of Police to the Deputy Attorney General, dated June the 5th, 1957, and he is referring to the gambling activities as at that date, which is very shortly after you got your Provincial charter for the three clubs, and he refers first to the Township of Bertie premises, stating that they were raided by the Ontario Provincial Police on June the 3rd, 1957, at which time there were only four men playing cards present, and since that date constant observations have been maintained daily, but

there has not been a noticeable lack of activity and that there has been no persons visiting the premises or autos parked on the adjacent lot. And then he goes on to report on the Roseland premises, and he says that "No raids have been made on the premises located on Walker Road near Windsor since April 25, 1957, owing to the fact that there have been no activities whatsoever." There have been "close observations every night and there has been insufficient evidence of activity to justify further raids. With the exception of the staff there have been no visitors to this establishment." And AM/3 then he talks about raiding Centre Road Club on June the 4th, 1957, and, "There were approximately 26 frequenters", and then he says, "Generally speaking, it would appear that conditions appear to be more or less the same as these three establishments."

Now, is it not a fact that as a result of those observations by the police, and their recurring raids, that activity had dropped to almost nil at all these three clubs in June of 1957?

A. Well, I couldn't agree with you then. According to that letter there, there seemed to be quite a bit of activity at the Vets Club in Cooksville.

Q. Which said there were twenty-six

on that occasion?

A. Mm-hmm.

Q. Would that be a big night?

A. Average.

Q. Well, do you agree with what apparently Constable Wright told Constable Scott, that if these premises were raided by the police they would be put out of business in short order?

A. No, but I do agree with the fact that they are out of business due to Constable Wright in a report, I believe, which is an exhibit here, that he made recommending that there was a breach of charters -- I have forgotten the exact---

Q. Constable Wright then, putting you out of business by making a report, is that what you are saying?

A. I would say that that is very instrumental in the cancellation of the charter, yes.

Q. You don't think Constable Scott had a hand in doing you out of business by virtue of his reports?

A. No, I don't think that.

Q. Well, now, Exhibit 9 is the list of the incorporators of these three clubs. It is a letter or memo dated July the 11th, 1957, from Sergeant Anderson to Assistant Commissioner Bartlett, and it refers first to

Unit 326, President Lincoln H. Turner. He had been president on your federal charter, had he not?

A. What year is this, Mr. MacKinnon?

Q. 1957, when you were applying for these Provincial charters?

A. Yes.

Q. He had been president?

A. Yes, that is right, I believe that is correct, Mr. MacKinnon.

Q. Then John Pleschuk is the second name. You told us that in 1957, about this time, that Pleschuk's occupation was a bookmaker, is that correct?

A. '57?

Q. '57.

A. I believe I did, sir.

Q. Sure. So, at the time that he was letting his name stand, he was, I take it, a known bookmaker, known to the police as such?

A. Possibly.

Q. How about Turner, was he a bookmaker as well?

A. I don't think he was ever convicted for gaming ---

Q. But was he a bookmaker?

A. I believe he did take bets.

Q. And the same for Thomas John McKay?

A. No, I don't believe so.

Q. He worked for you, did he?

A. Yes.

Q. He is described as a steward of the club?

A. That is right.

Q. Sergeant Anderson describes him here as the "fall man" for Joseph McDermott. Had he ever been convicted, to your knowledge?

A. Not to my knowledge, no, sir.

Q. Then turning to Unit 327, that is the Roseland Club ---

THE COMMISSIONER: Is the fact that he had never been convicted a factor in having him made -- being made steward of the club -- would it be of an advantage to the club?

A. No, I don't believe so, sir.

Q. It had nothing to do with it?

A. No, I don't believe so.

MR. MacKINNON: Now, in the Roseland Club, there was a father and son, apparently one being president and the other the steward, Norman Johnston, and his son, James Lloyd Johnston, do you know those two gentlemen?

A. Not to my knowledge.

Q. You had never met them?

A. No, sir.

Q. You don't know what kind of record they had?

A. I don't know the gentlemen, to the

best of my knowledge.

Q. What about Harvey Bourke -- B-o-u-r-k-e?

A. Not to the best of my knowledge.

Q. Then turning to the Bertie Township club, the Frontier Club, I take it you know Henry Demore -- D-e-m-o-r-e?

A. Yes, I do.

Q. He was well known to the police, I take it, as a gambler?

A. He may have been.

Q. He was a friend of Felix Borelli, I take it?

A. I believe they are friends.

Q. Do you know any other occupation he had at this time, other than gaming? Was he a bookie as well?

A. Not to my knowledge, Mr. MacKinnon.

Q. He didn't have an interest with Borelli being bookie?

A. You will have to ask Borelli about that.

Q. You don't know?

A. No.

Q. And then Frank Muscatto, do you know him?

A. The name sounds familiar, Mr. MacKinnon, I cannot swear I know him, or did not know him.

Q. He was another bookie, wasn't he?

Do you know that about him?

A. There again I wouldn't. I don't know whether I know him or not, so that I couldn't know if he was a bookie or not, Mr. MacKinnon.

Q. How about Allan Sidney Ross-- maybe it is Alfred -- maybe it is Allan Sidney Ross?

A. Yes, I know Mr. Ross.

Q. How do you know him?

A. Oh, I have known his mother since I was a boy, and he lived at his mother's place at Fort Erie.

Q. Did you ever have Ross working for you?

A. Working for me?

Q. Yes.

A. No, sir.

Q. On no occasion?

A. No, sir.

Q. Now, with regard to these three clubs, we understand fxm Mr. Herman that he was paid in one lump sum for all three clubs. Why did you do that?

A. Well, I don't recall doing it. I think I told Mr. Wilson that if Mr. Herman says that that was a fact, then possibly it was.

Q. You were -- if you were -- if you would collect the money, or paid the

money, you would be going to collect it back from Gardner, and from Ross, that is your position?

A. That would be correct.

Q. Is that what you say?

A. Yes, sir.

THE COMMISSIONER: Is that what you say?

A. Yes, sir.

MR. MacKINNON: And I take it also your story is that when you and McDermott were looking after Gardner and Finnigan, and their families, and when Gardner and Finnigan were in jail, and paying their legal fees, that was just done on a charitable basis?

A. Gardner borrowed money from time to time, and we lent him money from time to time.

Q. Please answer my question. I asked you about looking after the Finnigans -- not Gardner, but Finnigan's and Gardner's families when they were in jail, and also paying Gardner's and Finnigan's fees -- legal fees, was that just a charitable impulse on the part of you and McDermott?

A. That would be the case if they did not pay some of it back, and I cannot swear whether they paid some of that back subsequently.

Q. It couldn't possibly be because you had an interest in that club?

A. Pardon?

Q. It couldn't possibly be because you had an interest in the Roseland Club?

AA/4 A. I had no interest whatsoever in that club ever.

THE COMMISSIONER: Supposing I should say to you that you may be absolutely right, neither you nor McDermott had a percentage of the Roseland Club by way of illustration, that is your evidence so far?

A. That is right, sir.

Q. Yes. Are you pledging your oath that no money was paid to you, to either you or McDermott, by either Gardner or Finnigan, for some of the services in connection with the operations of that club?

A. Yes, sir.

Q. No question about that?

A. No, sir.

Q. None whatsoever. And if there should be evidence to the contrary that other evidence is wrong?

A. I don't know what you are referring to, I am pledging my oath, I could put it, Mr. Roach, but I had nothing whatsoever to do in Gardner's club.

THE COMMISSIONER: Q. Now, I don't want to leave it so that it might later be said, "Well, I didn't understand the question." Supposing I should say this to you, that I

accept your evidence that neither you nor McDermott had a percentage interest in the Roseland Club, but you nevertheless were paid by Gardner and Finnigan, not on a percentage basis?

A. Paid what, sir?

Q. Money.

A. Oh, Gardner and Finnigan paid me money on many occasions.

Q. For what?

A. For gambling debts.

Q. No, I am not talking about gambling debts. I am saying that supposing I accept your evidence, and that is you and McDermott had no interest in the Roseland Club which would entitle you to a percentage of the earnings, but you nevertheless were paid by Gardner and Finnigan for other services supplied to that club, would you deny it?

A. I don't know what you mean, sir, by "other services".

Q. Well, you were paid money by Gardner and Finnigan that was not repayment of a gambling debt, but was money paid to you by Gardner and Finnigan specifically for protection that was being provided to the Roseland Club?

A. No, sir.

Q. You deny that definitely?

A. I do, sir.

THE COMMISSIONER: All right.

MR. MacKINNON: Now, we have heard from Humphrey ---

THE COMMISSIONER: Or maybe -- let us clear it up -- by Giacalone?

A. No, sir.

Q. All right, we have got that beyond question.

MR. MacKINNON: Were you asked whether you knew Giacalone or not?

A. I don't believe I was.

Q. Do you ~~meet~~ know/Giacalone?

A. No.

Q. Had you ever met him?

A. No, I haven't.

Q. Did you discuss it with your friend McDermott?

A. There was evidence given here about Giacalone and I believe McDermott knows him, yes.

Q. And were you told at any time as to his interest in the Roseland Club, you being in the business were you told at any time what Giacalone's interest was in the Roseland Club?

A. No, I would say no.

THE COMMISSIONER: Were you ever told that the bank money was supplied by people from Detroit for the Roseland Club?

A. Not to my knowledge.

MR. MacKINNON: Now, witness, charity may have been motivating you in other directions, because Mr. Humphrey has told us that it was McDermott and you, along with McDermott you instructed him with regard to the Frontier Club in 1958 when he was making representation to everybody he could, to see if he could keep the Frontier Club open, as it was being raided by the local township police almost nightly. Now, why would you be instructing Mr. Humphrey, you and McDermott, if you had no interest in the Frontier Club?

A. Well, there again, I wasn't here and heard Mr. Humphrey's testimony, but I would say it was out of friendship to Ginsey.

Q. Was it out of friendship to Ginsey that you paid Humphrey's fees for doing this work?

A. If that was the case, and I don't know whether it was or not, Mr. MacKinnon, they would have been paid back by Ginsey.

Q. Did Ginsey pay any of your fees to Mr. Herman? Did he do the same thing for you on another occasion -- (inaudible) --

A. What was that?

Q. Did Ginsey or Mr. Gardner pay any of your fees to your lawyers as a gesture of fraternal amity?

A. He may have, I cannot swear to that.

Q. You cannot give me any examples

of that?

A. No, I cannot, Mr. MacKinnon.

THE COMMISSIONER:

Q. Why, at the time of the raid, which had resulted in a closing of the Roseland Club, why did McDermott display such a keen interest in the defence? Can you enlighten me on that, if he had no interest percentage-wise in the earnings?

A. Sir, I wasn't there, so I don't know how keen an interest he did display.

Q. I suppose you read the evidence, or you have heard what the evidence is, in that connection?

A. Well, he does fashion himself as some kind of a ---

Q. What?

A. Sort of a lawyer -- a curbystone lawyer.

Q. And he did not rely upon his curbstone ability as a lawyer, he had other top counsel -- he went to Detroit, we have evidence of the association down there, that Giacalone was one of the group, and the lawyers whom McDermott was responsible for getting them, why was McDermott so keenly interested in all that, at the defence, at the time the Roseland Club was successfully raided, and Gardner and Finnigan convicted?

A. The only thing that I can suggest to you, Mr. Roach, is that he and

Gardner were very friendly over the years, and I think Gardner had great respect for his ability. Other than that I could not define it, sir.

Q. When we find telephone calls coming from Wright to McDermott, followed immediately by telephone calls from McDermott to the Niagara area and Windsor, and then we find McDermott taking such a keen interest in the defence when the Roseland was raided, all this would fit into the picture that I have been suggesting, that although you and McDermott had no interest percentagewise, you still were in receipt of money, and your interest was tokeep the thing running?

A. Through these -- excuse me -- these calls you refer to, as I understood you just now, were they the same calls that Mr. Wilson asked me about yesterday?

THE COMMISSIONER: Yes, you were trying to get the toll tickets, for example.

A. I thought Mr. Wilson said those calls were from McDermott to Port Erie?

Q. Some of them.

A. Well, that is all I remember, sir.

Q. Yes, all right. Now, if McDermott -- now, whether you and McDermott had no percentage-wise interest in the Roseland, your explanation for the keen interest that he took in the defence was simply because he was a good friend of Gardner's, is that your explanation?

A. That is the best I could do for you, sir.

Q. Do you deny under oath that he had another financial interest in the keeping of the club running?

A. Other than from the point that Gardner, whatever he was doing, was making a living there, yes, sir.

AA/5

Q. I see. If the club was kept running, he wouldn't have Gardner down here in Toronto patronizing the Centre Road Club, he would be looking after his own interest in Windsor -- so that your only explanation is ---

A. I wouldn't say that, sir. Gardner would come to Toronto ---

Q. And leave the Windsor club without anybody looking after his interests?

A. I would say Gardner would come to Toronto on many occasions.

Q. But you didn't think that explained his interest in the defence. You said his only interest that the best defence possible was given to the Roseland Club was his great friendship for Gardner?

A. I didn't say that, sir, but I would agree with you.

Q. That is as I understood you.

A. I don't think those were my words.

Q. That is the substance of what you said, do you agree with that?

A. I wasn't there, and I don't know what happened at the preparation of the defence. Possibly Mr. McDermott would enlighten you to some extent on that, sir.

THE COMMISSIONER: All right. Mr. MacKinnon?

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THE COMMISSIONER: All right, Mr. MacKinnon.

MR. MacKINNON: Q. Well, talking about interests, you have denied having any interest in the Jordan Club, isn't that correct?

A. That is right.

Q. Despite what Mr. Herman and Mr. Gebirtig have told us?

A. I was a member, sir.

Q. You were just a member. Now, Pleschuk was an officer and director of that club for a couple of years, wasn't he?

A. Of the Jordan Club?

Q. That is right.

A. He very well could have been, sir.

Q. That is right. And your friend Turner, what is his name? Lincoln Turner? He was also a director, wasn't he?

A. Yes, he was.

Q. Those are both men who were also directors out at the Centre Road Veterans Club?

A. That is right.

Q. As your nominees in the Centre Road Veterans Club?

A. That is right.

Q. And Downs was an officer in that club?

A. I believe he was.

Q. And he also was an employee of yours

from time to time, wasn't he?

A. That is right.

Q. You told us about George Reid being a friend of yours, isn't that correct?

A. That is right.

Q. That is right. Now, when George Reid's apartment, wherever he was living, was raided by the police your revolver was found in his possession, wasn't it?

A. Yes, it was.

Q. Why did you give him your revolver?

A. I don't know that I gave it to him.

Q. Well, it --

A. Not give. I may have left it at his place on some occasion.

THE COMMISSIONER: Q. What were you doing carrying a revolver?

A. I don't believe I was carrying one, sir.

THE COMMISSIONER: I thought you said you left it at his place.

A. Yes, I did.

Q. How did you get it there, if you didn't carry it there?

A. Well, I probably did carry it there.

Q. Well, what were you doing carrying a revolver?

A. It seems to me that would be in

one of my moves. I moved from apartment to apartment, and probably he helped me move with his car. Something along that line.

Q. Something along that line? Did you have a permit to carry a revolver?

A. No, sir.

Q. Have you got one now?

A. Which? A permit?

Q. A revolver?

A. No, sir.

Q. When did you last have one?

A. I guess that would be the last, the only one.

Q. Well, why did you have it?

A. More as a souvenir than anything.

Q. A souvenir of what?

A. Just a souvenir.

Q. Of what?

A. I don't -- I don't know what you mean, of what, sir.

Q. Well, you have a souvenir if you go to London, England, and bring home a souvenir from London, England.

A. It could be of Toronto.

Q. I see. That is what you have in mind was a revolver as a souvenir of Toronto?

A. I didn't have that in mind, sir, until you put it that way.

Q. No, you said that you had it as a souvenir. I didn't suggest it.

A. Well, then, it must have been a souvenir of Toronto, sir.

Q. A souvenir of Toronto. You didn't have it for any other purpose?

A. No, sir.

Q. And you just happened to inadvertently leave it in Reid's possession?

A. Well, I — I don't recall, and I believe I discussed this with Reid, just exactly how it got in Reid's house, —

Q. You believe?

A. — and I don't think —

Q. You believe you did?

A. I believe after he — the police found the gun in his house, that I had discussed with him how it got there, and I don't think that either of us knew it, to our own satisfaction tie it down, just exactly how it got over to his house. Now, whether it was, as I say, in one of my moves from one apartment to the other, which I lived in several in and around the area where he lived over the years. Whether it happened that way or not, I don't know, sir. I couldn't swear to it.

Q. Where did you get the revolver in the first place?

A. I would say that I bought it in Eaton's or Simpsons, I am not certain which place it would be.

Q. For what purpose?

A. Well, I have said it was a souvenir, sir. I can't --

Q. Oh, well ---

A. -- think of any other purpose.

Q. You surely don't expect me to believe that, that you bought it in Eaton's as a souvenir of Toronto? You really don't expect me to believe that?

A. No. I said I bought it as a souvenir, sir.

Q. I see. Well, McDermott had a revolver too, didn't he?

A. He had some sort of a gun.

Q. Yes. Was his a revolver also?

A. I don't know, sir.

Q. We will find that out from McDermott.

A. I think they are legal to buy in Eaton's or Simpson's, sir.

Q. Yes. Oh, you can do that. Most people don't buy them there as a souvenir, and neither did you.

MR. MacKINNON: Q. When did you buy it, witness?

A. I wouldn't recall the - even the year, Mr. MacKinnon.

Q. Any idea how long you had had it?

A. Possibly two, three, four years.

Q. How long had it been with your friend, George Reid? Six months? Three months?

A. I couldn't swear to any definite

time, Mr. MacKinnon, on that. I would only be guessing.

Q. Can't you give it a maximum time? You are not saying you gave it to him right after you bought it, are you?

A. No, I didn't say that.

Q. Well, can you give us a maximum time it would have been with George Reid?

A. No, I would only be guessing, Mr. MacKinnon.

Q. This wasn't your first revolver, was it?

A. I believe it was the only revolver I ever purchased in my life.

Q. Yes, but that wasn't the question. I say that is not the first revolver you have had?

A. And I say I believe it is.

Q. I see. Whether purchased or otherwise, it is the only revolver you ever had?

A. To the best of my recollection, sir.

Q. And you told us that you didn't have a permit for it?

A. I had a permit. Oh, yes, I had a permit from - I believe it was the Mounted Police, or someone, butI didn't have a permit to carry it.

Q. Oh, I see. You didn't have a permit to carry it. Now, I wonder if this would

help your recollection, if Wright was arrested at the end of May in 1960, isn't it a fact that it was after the arrest of - Wright's arrest - that you took that revolver to Reid's place? Think carefully.

A. I don't recall that, Mr. MacKinnon.

Q. Wright's arrest had nothing to do with the transposition of this revolver?

A. No, sir. I had a permit to have that revolver in my - in my house.

Q. Well, now, did you also leave a loose-leaf ---

THE COMMISSIONER: Q. I suppose you had ammunition for it?

A. Yes, I believe I did.

Q. If you were just buying a revolver as a souvenir, you would not necessarily buy ammunition for it?

A. (No audible answer)

Q. That is so, isn't it?

A. -- oh, I don't know, sir.

Q. Oh, don't you? Well, I do.

MR. MacKINNON: Q. Did you also leave a loose-leaf notebook with Mr.Reid?

A. I believe Mr. Reid mentioned this to me after the police had been to his house that there was a loose-leaf notebook there that was mine. I believe Mr. Reid mentioned to me after the police raided his house that there was a loose-leaf notebook of mine there.

Q. Yes, and that loose-leaf notebook listed the names and addresses of the members of the Centre Road Veterans Club and the Jordan Club, isn't that correct?

A. Oh - oh, maybe I am - I am thinking along the lines of some small loose-leaf notebook that - that is what I was referring to.

Q. It is not a very large loose-leaf notebook I am referring to. Isn't it a fact that there was such a notebook that the police picked up from Reid that listed the names and addresses of both the members of the Centre Road Veterans Club and the Jordan Club?

A. I believe there was.

Q. Yes. Now, what did that - how did thatcome about? You had no interest in the Jordan Club, why was there a joint membership book?

A. I don't think it was a joint membership, as I recall. It may have been compiled that way.

Q. Well, why would you compile it that way?

A. Well, chances are I got a list of the members from McLaughlin, of the members of the Jordan Club.

Q. Why would you be interested in that list of members?

A. Why?

Q. Yes.

A. Well, possibly somebody might have been a member at the Jordan Club, and may have come to the Centre Road ---

Q. So what?

A. --- Club. So what?

Q. So what?

A. They would be known. They would have a record of them there.

Q. Well, what kind of record would that be? If a man goes in and says he is Bob McLaughlin, or some other name, what difference would this make to you?

A. I don't know what you mean, what difference it would make. That is all it would be for.

Q. Well, what does that mean, all it would be for. You are not suggesting to me if you saw this man's name on the Jordan Club list that you would automatically let him in the front door of your club?

A. I would make him a member in the Vets Club, yes.

Q. There was joint membership?

A. No, I didn't say that.

Q. Why would you make him a member?

A. I say then he could become a member.

Q. That is not what you said.

A. I said then we would make him a

member of the Vets Club. That is what I said, Mr. MacKinnon.

Q. I see. How would you identify him, witness? My understanding was that you were recommended to this exclusive club you ran.

A. Well, he would be identified. Maybe I would phone McLaughlin and find out if there was such - if there was such a person.

Q. And why would you need a membership list for that, witness?

A. When someone come to the door and said that it was so-and-so ---

Q. And a member of the Jordan Club?

A. And a member of the Jordan Club, then I would refer to the book.

Q. That wasn't the need of it. You would have to phone back, wouldn't you, and get a description of him?

A. I would probably put him on the phone with McLaughlin, and have him talk to McLaughlin.

Q. It didn't mean anything, did it, accepting your explanation?

A. Well, that is what it meant to me.

Q. Well, why would you have opposite certain members' names of both clubs figures totalling $29,000? The police totalled this, and it refers to gambling indebtedness, they believe; is that correct?

A. I don't know. Could I see the list, Mr. MacKinnon?

Q. Pardon?

A. Maybe we are talking about something different.

Q. I am talking --

A. Can I see what you are talking about?

Q. I am talking about the loose-leaf notebook in which there was listed the joint members, the names and addresses of the members of the Centre Road Veterans Club and the Jordan Club, and then a record of certain members' names, opposite which are figures totalling $29,000.

A. May I see what you are talking about?

Q. Well, I am just reading from the report.

A. I don't recall this item that you are - this piece of paper or record that you are talking about, Mr. MacKinnon. I can't place it at all in my mind.

Q. Well, is this how you kept the gambling indebtedness? Would you put it opposite the member's name, or make a list of the members' names who owed you money, and put the amount opposite it? Opposite that member's name?

A. I can't answer you, Mr. MacKinnon,

if I don't know whether this particular list you are referring to is mine.

Q. I am just asking you whether you ever did that? Don't worry about the list. I am asking you a question. Did you ever do it?

A. You never asked me any question before.

Q. I asked you that question just now.

A. Yes, just now. What is your question?

Q. Did you ever prepare a list showing the member's name and the amount he owed you? Did you keep track of it in that fashion from time to time?

A. No, I don't remember - recall making a list like that, Mr. MacKinnon.

Q. You just keep it in your head?

A. Well, I dealt pretty well in cash. I didn't deal in credit too much.

Q. You dealt in credit too now, you have already told us that. You aren't going to change it, are you? You gave certain people credit, didn't you?

A. Yes.

Q. Yes.

A. But the major portion was cash.

Q. Sure the major portion was, but the ones in which you dealt with credit presumably you kept a list of them somewhere, didn't you?

A. At times I probably had a list, Mr. MacKinnon.

Q. Yes. How would you collect those debts?

A. If I loaned you some money --

THE COMMISSIONER: Well, never mind if you loaned him some money; how would you collect those debts?

A. I never found that I had to go collecting debts. Most people that I gave the money to came and paid me as the prearrangements were.

THECOMMISSIONER: Q. You said you loaned money to Simone, for example. Did you keep a record of that?

A. Well --

Q. Did you keep a record of it?

A. I probably kept it in my head, sir.

Q. No, no, no. Did you keep a written record of it?

A. I don't ever recall writing them down.

Q. But you say you didn't get it back? He didn't repay you?

A. That is right.

Q. No, and that was one instance of not - where you were not being paid. Are there other instances where you were not repaid?

A. I would think over the years, sir, there were people that didn't pay me.

MR. MacKINNON:Q.I am sorry, I may have missed your answer as to how you collected any bad debts. Did you just not bother collecting them? Is that what you said?

A. Well, if you borrowed some money from me, and am told me you were going to pay, chances are people paid me. I didn't have to go after them.

Q. If there were a ---

A. If a man borrowed money off me, or owed me money, usually he came to us and paid when he was in funds.

Q. And if he didn't come around and pay, you let him go, I take it?

A. I would not pursue him. If I seen him some time, I might ask him for it, and like that.

THE COMMISSIONER:Q.Reilly didn't come and -- Reilly was the man whose farm you got?

A. Well, that was his idea, sir. That wasn't mine.

Q. I see.

MR. MacKINNON: Q. Talking about what was found on the premises when the police searched yours and McDermott's premises, they found shortwave radios, is that correct?

A. Yes, sir. I still have mine in my apartment.

Q. Did you use that for any specific purpose, the shortwave radio?

A. No, sir.

Q. Have you got an interest in electronics, or a radio ham, or anything like that?

A. No, sir. You can buy them at Eaton's, or Simpson's, or any department store in the country.

Q. You just listened to foreign broadcasts on them, did you?

A. Sometimes.

Q. Did you ever get the race results on them?

A. I may have. I couldn't swear I did or didn't, Mr. MacKinnon. They are broadcast on local stations here in the city, I believe.

Q. Now, you mentioned to us a James - I believe a J. O'Brien of Quebec City. You stated that you have known him for some time, and he had been up to your club, and he was aware of what you did. Now, when did you first meet him? Some number of years ago?

A. Yes, sir. I would hazard a guess in the early or mid-fifties, probably.

Q. Say 1954, when Macnamara was cancelling clubs, and getting these licences or charters?

A. It may have been earlier.

Q. It may have been earlier than that?

A. It could have been earlier.

Q. Because O'Brien had been involved in the - in this Army, Navy and Veterans Association for some period of time as well as Macnamara, isn't that correct?

A. Yes, he was manager of the Ontario unit for quite a few years.

Q. Yes, and I take it then in 1954, if you had met him, he would be in your club, and would know, as you put it, or would be aware of what you were doing?

A. Yes, sir.

Q. Yes. Well, now, in 1955 we have heard about a hearing that was held in Mr. Herman's office, before a three-man committee set up by this Association as to whether your license or charter would be restored to you or not. You remember that, don't you?

A. Yes, I recall. I don't know the year, Mr. MacKinnon. I recall there being a hearing.

Q. 1955. Yes. And James J. O'Brien was a member of that committee, wasn't he?

A. I -- I don't believe so, Mr. MacKinnon.

Q. That is the information that we have on the ---

A. You may be correct. I can't say he wasn't. I don't recall him being - being a member of that committee.

Q. So, if he was, you would have a friend on the board, presumably?

A. If he was there. I don't recall him being there. If he was, he would be a friend of mine, yes.

Q. And he would know precisely what kind ofbusiness you were in?

A. Probably.

Q. Yes. Nothing like having a friend in court.

THE COMMISSIONER: Well, then, Macnamara - didn't Macnamara give evidence before the Provincial Secretary at the inquiry being conducted by him?

MR. MacKINNON: Mr. Cudney.

THE WITNESS: Pardon?

THE COMMISSIONER: Macnamara gave evidence on yourbehalf before Mr.Cudney on the inquiry being conducted by Mr.Cudney that resulted in the cancellation of the charter.

A. I believe he did, sir. I wasn't there.

THE COMMISSIONER: Yes.

MR. MacKINNON:Q.You weren't. Of course, you didn't attend this hearing in Herman's office, did you, you or McDermott?

A. I don't believe so, Mr. MacKinnon.

Q. Well, why was that? Why did you and McDermott, who were the people controlling this club, why didn't you put in an

appearance?

A. I can't think of any particular reason right now, Mr. MacKinnon.

Q. Were you told to keep away?

A. Not that I recall. Not that I recall, Mr. MacKinnon.

Q. Well, now, I want to turn to another interesting subject. I am afraid you are going to have to explain it as briefly as you can, because your logic sort of lost me, and that is with regard to what has been known as the Ramsay brief that is here. Now, do I -- did I understand you correctly to say that Ginsey got ahold of the brief, or some portion of it, from some unnamed business man --

THE COMMISSIONER: Men.

MR. MacKINNON: Q. Or men, plus a lawyer, and he, knowing your interest in gaming, and the possibility that such a brief would be used against you, turned it over to you, is that correct?

A. Yes, that would be correct.

Q. And you then, in an attempt to find out whether the gambling - anti-gambling squad had a copy of the brief, then phoned Shrubb and spoke to him for some three or four hours in the various phone calls, in effect reading the brief to him, in an attempt to see whether he had it or not, is that correct?

A. That is right.

Q. I see. And your interest in knowing whether he had it was what, again?

A. Because if he had of had the brief, and had ever gotten a successful prosecution at the Ramsay Club, then my concern was that he would use the same tactics against the Centre Road Veterans Club.

Q. So you wanted to know whether he had it, but that was not the only reason, is that right?

A. That is right.

Q. Well, why would you give him all the facts in the brief if he didn't have it? Why would you do something as strange as that? Because then he certainly could turn around and use what you had given him, according to your position?

A. Because first of all Ginsey had told me that he had it, that this brief had been sent in to the O.P.P., and it was common knowledge around Niagara Falls that it had been sent in to the O.P.P., and Shrubb, and my concern in talking to him - I wasn't concerned about reading the manuscript that I had, because Ginsey in fact had told me, and I was trying to find out from Shrubb if he had in fact had this, and what he was planning to do with it.

Q. Well, if you weren't concerned,

and Ginsey had told you, why were you trying to find out from Shrubb whether he had what you had already been told he had?

A. Well, I had only been told that by Ginsey.

Q. I see.

A. And Ginsey told me that it was common knowledge around Niagara Falls.

Q. And if he didn't have it, would you have felt relieved? There must have been some reason.

A. How do you mean, Mr. MacKinnon, would I have felt relieved?

Q. Well, you were trying to find out whether he had this brief because you were a gambler, and that is why Ginsey gave it to you, because you were interested whether he had it or not because he could use it against you if he had it.

A/ Hm,hmm.

Q. And you were trying to find out. Well, if you found out he didn't have it, were you relieved then, or would you have been relieved?

A. I don't know that I ever did find out whether he - he did or didn't have it at that time. He never told me one way or the other.

Q. So you kept on pouring out the information to him, waiting for him to make a

slip and let you know whether he had it or not, is that correct? That is what you want us to believe?

A. Well, that is what I am telling you.

Q. I know that is what you are telling us.

THE COMMISSIONER: He wants you to believe it.

MR. MacKINNON: Yes. Well, I don't know whether he does or not, Mr. Commissioner.

THE COMMISSIONER: Well, he wouldn't be telling it if he didn't - if he didn't want you to believe it, or want me to believe it.

MR. MacKINNON: Well, I think, Mr. Commissioner, if he is going to make some answer and some explanation, perhaps that is the best one he can think of.

Q. Well, now, another interesting little thing you told Corporal Shrubb, as he then was, that he could bring something of a special shape and put a screen in the drain pipe in the toilet on the second floor and this would catch the cards and the layout and the dice? Do you remember telling him that?

A. It seems to me that was on one of the transcripts that I was reading there.

Q. That is what you told us, it was on one of the transcripts. Well, now, you

are also aware, I suppose, that this was not in the Ramsay brief, this particular little bit of information about trapping the dice.

A. I believe the final brief was different from these scripts I got from ---

Q. I see.

THE COMMISSIONER: Q. What do you mean by "the final brief"?

A. Well, apparently the brief that was - that I seen at my trial, for example.

Q. Oh, no. I know, but the information you had, not that it was the final brief, it was one that had been given to the police, and you were trying to get Shrubb to admit it. These notes that you had were all taken from the brief, Ginsey told you that.

A. That is right, sir.

Q. Yes. Well, what do you mean then, that the final brief differed from these notes?

A. Well, I was trying to answer Mr. MacKinnon's question.

Q. What do you mean by it, is my question.

A. The brief as I seen it at my trial was different than all the combined notes that I had got over a period of time from Ginsey.

Q. I see.

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THE COMMISSIONER:

Q. I see, they were not actual transcripts then from the brief?

A. Which weren't?

Q. The notes that you say Ginsey gave you?

A. For the most part of them were. All that I am saying is that they were not -- the brief probably was not as complete as they were. I think that is the question Mr. MacKinnon wanted answered.

THE COMMISSIONER: Go ahead, Mr. MacKinnon.

MR. MacKINNON: Q. Well, Ginsey then was getting these drafts as they came hot off the press? He gave you documents more than once, is that your story?

A. Yes.

Q. He would go back for a fresh supply, would he, between these phone calls?

A. You might put it that way.

Q. And you, of course, never asked him where he got them from. That is your story, isn't it?

A. I think I told Mr. Wilson yesterday that he told me they were coming from some lawyer and some business men.

Q. Weren't you interested in knowing who the lawyer was?

A. I felt if he wanted to tell me he

would have of his own free will.

Q. Now, if you were just interested in finding out whether he had this information ---

THE COMMISSIONER: Excuse me. If what he told you was true, then the lawyer would have pretty full knowledge of what was going on in the Ramsay Club, wouldn't he? He just couldn't make that out of thin air?

A. I should have to stop to think it out.

Q. Think about it now.

A. Thinking about it now, I would think so.

Q. You would agree with me?

A. Yes, sir.

Q. Who, among the legal fraternity that you know, who knew all the details of the operations of the Ramsay Club?

A. That I know?

Q. Yes.

A. Nobody that I know, sir.

MR. MacKINNON: Q. If all you were interested in was finding out whether they had this brief which would be available against you, as apparently was your concern, why did you tell Shrubb this? He told us and made comments that you said as follows:

"It will not backfire ---"

This is about a raid on the Ramsay Club --

"It will not backfire like the time

"you took everybody to Brampton. He
"could promise --- "
That means you --
" --- could promise from the Attorney
"General's office that it would not
"roar down on us. He could guarantee
"that the Attorney General's office
"would not take a dim view of this
"plan."
Why would you tell Shrubb that?

A. I don't ever recall saying that. When that was said it was probably part of the brief.

Q. Why would you put it that you were promising him this?

A. I don't ever recall saying that, Mr. MacKinnon.

Q. He has sworn you did.

A. Well, I can't help what he swore. It has got nothing to do with me what he swore.

Q. It may have a great deal to do with you, witness.

A. I am saying that if I did say that, then it would come off the briefs that I got from Ginsey.

Q. Didn't that arouse your curiosity, being in the business, this statement that somebody could guarantee that the Attorney General's Department would not "roar down on

them" if they used this particular section of the Criminal Code?

A. I don't believe, I don't recall it arousing my -- how did you put it, curiosity?

Q. Arouse your curiosity.

A. I don't recall that arousing my curiosity, Mr. MacKinnon.

Q. Wouldn't you, being in the business, have liked that kind of connection, if this ---

A. We didn't need them.

Q. You didn't need them?

A. No, sir.

Q. You were immune anyway, were you?

A. Well, the police raided the premises several dozen times over the years.

THE COMMISSIONER: Well, this lawyer whose name you don't know because Ginsey did not supply it to you, if he put that in the brief then he must have known of the raid of November 24th at the Centre Road Club and the Brampton episode?

A. It sounds very much that way.

Q. Sure it does,that is right. How would the lawyer ever ---

A. I would say every gambler in Ontario knew about it, that incident. As I said to Mr. Wilson yesterday, there was quite -- the Toronto Daily Star and, I think, one or two of the other papers, carried quite an editorial about the whole procedure.

THE COMMISSIONER: I see, all right.

MR. MacKINNON: Had the Attorney General's Department objected to the use of this procedure after it happened?

A. Pardon?

Q. Had the Attorney General's Department objected to the use of this particular procedure which was used on November 24th, 1954, after it happened?

A. They did not object to me, Mr. MacKinnon.

Q. Have you ever met Nicoletti?

A. No, sir.

Q. Never?

A. No, sir.

Q. How about Dominic Mantel, have you ever met him?

A. I don't believe I have, unless I met him at the race track some time. The name does not stay with me. I may have met him at Fort Erie race track with Ginsey at some time or other.

Q. How about "Big John Montana", ever met him?

A. I don't know the man, sir.

Q. You know "Scrip" Mitchell, you knew of him?

A. No, I don't.

Q. Never had anything to do with him?

A. Nothing whatsoever.

Q. Now about your pal Joseph McDermott, did he ever have anything to do with him?

A. Not to my knowledge.

Q. Never worked for you?

A. Never.

Q. With regard to this Ramsay brief did Ginsey, this man who was supplying you these fresh editions of the Ramsay brief, did he talk to you about Inspector Stringer?

A. I don't recall him ever discussing Inspector Stringer with me.

Q. Well, now, you have stated to Mr. Wilson the other day that you could not swear one way or the other as to whether you had called Inspector Stringer on the telephone in May of 1958?

A. I don't think I said that, Mr. MacKinnon. I erred if I did, but I thought I made it clear that I did not.

Q. That is what I wanted to get you on the record. You now swear that you never on any occasion -- let us leave May, 1958, out of it, witness -- never on any occasion spoke to Stringer on the telephone?

A. Yes, sir.

Q. You also swear that you never on any occasion -- apart from, let us leave the raids on your premises out -- outside of Centre Road Veterans Club, never met Stringer at his office to discuss anything with him?

A. Yes, sir.

Q. Did you ever discuss Inspector Stringer with Mr. Maloney?

A. No, sir.

Q. Did Mr. Maloney not tell you, as Inspector Stringer has told us, that he was an old friend of Inspector Stringer's?

A. No, Mr. Maloney never told me that.

Q. Can you tell me, apparently you knew and so told Shrubb, about the dice in the drain pipe, which was not in the brief, and we have had evidence from Sergeant Anderson that Inspector Stringer told him the same thing, how to look for the dice in the drain pipe and to open it at the bottom.

Did you ever hear as to who told Stringer this particular bit of information which was not in the brief that he handed over to Anderson, either from Ginsey or McDermott or any one else, as to how Inspector Stringer knew this particular little bit of information?

A. Did I ever give -- what was that question?

Q. Did you ever ascertain how Stringer knew this particular bit of information which was not in the Ramsay brief, which apparently were on your rough

notes, whatever they were, that you were getting from Ginsey?

A. No, I never ascertained. I don't think I was aware of them until you just told me now.

Q. I am just wondering if anybody had ever advised you that there was a second copy of these rough notes in which you say this was, that you received from Ginsey, a second copy of these notes that came to Stringer. Have you ever heard that?

A. No, I never heard that.

Q. Now, can you tell me who would be calling Stringer from this telephone number that you were using?

A. No, I have no idea of that, Mr. MacKinnon. The chances are there were several people using that telephone number.

Q. Yes, several people. Just tell us who the several people were, who were they?

A. I don't know that.

Q. Why don't you know it? You were charged up for the calls, weren't you?

A. No, I paid for whatever calls I made to Ginsey.

Q. How did you find that out?

A. Pardon?

Q. How did you find out what calls you made?

A. Well, Ginsey would tell me what I owed him.

Q. Didn't you check, the same as you checked with Gogek?

A. No, I never asked.

Q. Ginsey would just say, "Now, give me $10 or $10.50. That is your calls for the month", and you would pay him?

A. That is right.

Q. Where did Ginsey get this information?

A. Which information?

Q. As to what you owed him?

A. I suppose he got the bills. I don't know what he would get. He would have to get it off the bills somewhere.

Q. And you knew that McDermott was using this number as well, didn't you?

A. Yes, I believe I was aware that McDermott billed some calls to that number.

Q. So there was you and McDermott and, you say, Ginsey, using the phone number. How did you happen to make this arrangement with Ginsey? What led you into it?

A. Well, that is not uncommon for bookmakers, for people in the gambling business, to use another telephone to bill calls away from their residence. If a person, gambler, had some friend who was making personal calls over the years, to avoid the police going to the relatives or a

personal friend's place and knocking the door down at some time or other, it would not be uncommon to bill telephone calls to another number.

Q. From what we heard from the police, it would have to be another number in the same exchange?

A. I believe that is the way it works.

Q. So it could not be too far off. So you are now telling us that it would be bookmakers, somebody wanting to avoid the police, who would be using this telephone?

A. That is only for instance. I mean, that is why I would be using that phone.

Q. That is why Ginsey was using it, I suppose, if he used it?

A. Naturally.

Q. That is why McDermott was using it?

A. I would think so.

Q. So it would be some bookmaker or some one who had an illegal activity to conceal who would be calling Stringer?

A. I didn't say that.

Q. That is the conclusion from the type of people who would use this sort of subterfuge?

A. I don't know how many people Ginsey let use that phone.

Q. Did you tell Ginsey which calls were yours? How would he know which ones were yours and which were McDermott's and which were all these other people maybe who were using the phone? How did he know?

A. I imagine he would phone me up whenever the bill came in and ask me over the telephone if I made some calls, and we would determine it that way.

THE COMMISSIONER: You would not have complained if some of McDermott's calls from that number were charged to you? You would pay those without question, wouldn't you?

A. Ginsey told me ---

Q. No, I say you would not have objected to paying the toll on calls made by McDermott from that number, because you and McDermott were very close?

A. If Ginsey explained it to me, no, I would pay it for McDermott.

Q. He wouldn't have to explain it to you. I am saying you would not object to paying McDermott's calls from that number, because you and McDermott were partners. If he was calling on behalf of the partnership, you would be quite happy to pay it, wouldn't you? Don't tell me you wouldn't?

A. I would pay if Ginsey told me he had it coming to him.

MR. MacKINNON: Q. I find this talk

about Ginsey interesting, because he did not live in that exchange, did he?

A. I don't believe he did.

Q. No, I don't believe he did. I think you told us at one time he lived in Fort Erie, is that correct?

A. Yes, he did.

Q. How would he be able to charge calls to this exchange, tell me?

A. If he was in the exchange he would be able to charge calls to it.

Q. From where? He didn't live in that area.

A. I didn't say he did, Mr. MacKinnon.

Q. All right, where would he be able to charge the calls from? He didn't go to Mrs. Costello's place to make the phone calls from. Where else? How would he use that phone?

A. By using any other phone in that exchange.

Q. Can you give me an example of where he could go, or where he did go?

A. Oh, no. I wasn't his father.

Q. But a very close friend apparently?

A. Yes.

Q. Very chummy?

A. Mm-hmm.

Q. But you can't tell me where he might have gone to use a phone in that exchange?

A. No, I couldn't pinpoint it, Mr. MacKinnon.

Q. Talking about these clubs, you mentioned the Finnish Club, and you said, I believe, that you were instrumental in getting that charter, is that correct?

A. That is right.

Q. How much did you pay for the charter?

A. It seems to me it would be a hundred or two hundred dollars, somewhere in around there, that we ---

Q. Is that all?

A. Yes, that would be ---

Q. To whom would you make that payment?

A. Fellow by the name of George from Timmins.

Q. Did you deal directly with him?

A. Yes.

Q. Mr. George?

A. No, I believe his name was Allis.

Q. Did you go up to Timmins?

A. I have been to Timmins. I don't think I went up on this occasion.

Q. Who put you in touch with him?

A. I have known him for several years. I just don't recall whether any one specifically put me in touch with him. I have known the fellow around Toronto for several years.

Q. He lives in Toronto, does he, although the club had its headquarters in Timmins?

A. I don't know whether he lives in Toronto now, Mr. MacKinnon. He was living in Toronto in about this time, yes.

Q. Was he a gambler?

A. I know he spent a lot of time at the race track. Whether he was a bookmaker or not I couldn't swear.

THE COMMISSIONER: Well, the word "Finnish" was a misnomer after the charter came out to your place; it was not a club essentially for Finnish people, it was just a name, that is so, isn't it?

A. I don't believe it was for Finns.

Q. No.

A. I don't believe it was. It may have been in Mr. ---

Q. So that when Mr. Herman was saying he was interested in good international relations with the Finnish people, that was ---

A. It may have been -- if Mr. Herman said that, possibly he read the Letters Patent and could ---

Q. He thought it was for Finnish people.

A. It may very well be, Mr. Roach. I ~~xxxxx~~ couldn't swear it was or was not.

Q. I see.

A. It could be.

THE COMMISSIONER: All right, ten minutes recess.

---A short recess.

MR. MacKINNON: Q. Witness, are you now able to tell me how the question of the charter of the Finnish Club came up as between yourself and Mr.George?

THE COMMISSIONER: Mr.George Allis.

MR. MacKINNON: Q. Mr. Allis, rather?

A. I recall contacting him or meeting him at some place, and he informed me that there was a charter available from, I believe it was, Timmins, and subsequently he turned it over to me.

THE COMMISSIONER: You gave him a hundred or two hundred dollars for it?

A. Yes.

MR. MacKINNON: Q. And when approximately was this?

A. It seems to me it would be around 1958, Mr. MacKinnon, but I could not swear to any dates. I don't know exactly when it would be.

Q. Did you also discuss with Mr. Allis the Porcupine Club of that city, and moving its charter?

A. I don't recall any discussion about that, Mr. MacKinnon.

Q. How about the Miners' Club, and her club with which Allis was interested, connected?

A. He may have mentioned this, but I don't think any -- there was anything definite. He may have mentioned the charter but I don't recall going into it with him.

Q. Didn't you put him in touch with Papalia with regard to the Porcupine Club?

A. No, sir.

Q. You had nothing to do with that transfer of the charter of the Porcupine Club down to Hamilton?

A. Nothing whatsoever.

Q. Do you know Gasperini?

A. I don't believe I do. I have heard the name. I wouldn'tknow the fellow if I seen him.

Q. Wasn't Gasperini a member of your club, the Centre Road Veterans Club?

A. Not to my knowledge, Mr. MacKinnon.

Q. We have here a Gasperini, 1481 Main Street West in Hamilton, shown as a member. I guess it is D. Gasperini. Does that help you any?

A. I don't recall that -- anybody being a member by that name offhand, Mr. MacKinnon.

Q. While we are talking about names, what was Reg (I believe it was Reg) Dan's position

with the Vets Club?

A. Reg Dan?

Q. Yes.

A. None that I recall, sir.

Q. Well, didn't he work for Centre Road Veterans Club?

A. No. No, I would say not, Mr. MacKinnon. He was probably there on occasions. I would say that he was a member there.

Q. Did he ever cash cheques for your clientele on your behalf?

A. At the Vets Club?

Q. Yes.

A. Not for me, Mr. MacKinnon, not, as I recall, for me.

Q. Not on your instructions?

A. No, sir.

Q. Now, Mr. Clark produced a cheque here ~~xiKk~~ which is part of Exhibit 40, and I believe it is 40-A, a cheque dated February 5th, 1960, which he said was given to you for a gambling debt, and it is payable to cash in the amount of $500, and it is endorsed on the back "R. Dan", cashed on February 9th, I believe, 1960.

THE COMMISSIONER: Payable to bearer?

MR. MacKINNON: Payable to cash.

THE WITNESS: May I see it, please, Mr. MacKinnon?

MR. MacKINNON: There are two others in

the same exhibit, both of those endorsed by George Reid.

THE WITNESS: Do you want that?

THE COMMISSIONER: No. What is your explanation of it?

MR. MacKINNON: Q. Yes?

A. What is it you want to know?

Q. I want to know what position Dan occupied at your club. You have already told us George Reid was an employee of yours, and he signed two of these cheques. The third one is signed by "R. Dan".

Cyril Clark says those cheques were given to you for gambling debts at the Centre Road Veterans Club. Now, what was "R. Dan" doing signing or endorsing the cheque?

A. Well, the only explanation I have for that is that Midgely used to cash a lot of cheques. He was a sort of money-broker, you might call it. He cashed a lot of cheques for a lot of people over a period of time, which was his own personal doing. He lent people money. Whether I cashed that cheque for Mr. Clark and in turn Midgely cashed it for me and subsequently it found itself into Dan's hands, that would be my thinking of that.

Q. So far as you tell us, Dan was just another player out there?

A. That is right.

Q. He wasn't working for you at all?

A. No, sir.

Q. Now, we have mentioned Inspector Stringer. Isn't it a fact that you and McDermott flew to Horton's cottage and visited there on one occasion at least?

A. At least one occasion, yes, sir.

Q. Did you not see Inspector Stringer at that cottage?

A. No, sir.

Q. Are you sure of that?

A. Yes, I am.

Q. Now, talking about flying, did you ever fly to Barry's Bay?

A. I don't know where that is, Mr. MacKinnon, but if you tell me ---

Q. Did you ever fly there in a Lands and Forests aircraft to visit Mr. James Maloney?

A. I don't know where Barry's Bay is.

Q. It is not too far from Pembroke.

A. No, sir.

Q. Did you never visit Mr. Maloney at his cottage?

A. No, sir.

Q. Did you ever fly in a Lands and Forests aircraft anywhere?

A. I believe I did at Big Duck Lake once. That is to the best of my recollection.

Q. So that I can get this clear in

any event, you say that Mr. Maloney never flew in the same aircraft with you? Is that what you are telling us?

A. To this Barry's Bay?

Q. To anywhere?

A. No, I don't ever remember being on any aircraft with Mr.Maloney.

Q. And you never visited him in his cottage?

A. No, I have no idea where his cottage is.

Q. Do you know whether McDermott did?

A. I would only be guessing, but I would say no.

Q. Did you ever go up into Algonquin Park for a visit?

A. I haven't been to Algonquin Park since I was a child.

Q. Neither has McDermott, I suppose, since you have met?

A. To the best of my ability, no, Mr. MacKinnon.

THE COMMISSIONER: Were you ever down in Jamaica with Mr. Maloney?

A. No, sir.

MR. MacKINNON: I believe that you were in a Lands and Forests aircraft on one occasion only, is that my understanding?

A. To the best of my recollection, that is the only one occasion, the only time I

recall being in a Lands and Forests plane, is at Big Duck Lake.

Q. Were you charged for that trip?

A. I wouldn't think so, Mr. MacKinnon, not to the best of my knowledge it wasn't.

THE COMMISSIONER: Did you fly from here to Big Duck Lake?

A. Oh, no, sir.

Q. You picked it up there, it was a local flight?

A. Yes, probably out of Schreiber, ten miles or something.

MR. MacKINNON: Q. We have seen in Constable Scott's reports reference to Mr. McDermott being at a party where both Mr. Bartlett -- or a meeting -- where both Deputy Commissioner Bartlett and the late Mr. Maloney were present. Now, were you ever at any such gathering or party where both Mr.Bartlett and Mr. Maloney were present?

A. No, sir.

Q. Now, do you know whether your friend McDermott was ever at such a party?

A. Not to my knowledge.

Q. Has he denied -- this has been a matter of publicity -- has he denied this to you, that he was ever at any party?

A. I believe he has.

Q. Or meeting. He has?

A. I believe he has. I am only guessing.

Q. Did you know personally the late Commissioner who preceded Commissioner Clark?

THE COMMISSIONER: Is it McNeill?

THE WITNESS: Did I know him personally?

MR. MacKINNON: Q. Yes?

A. I don't believe ~~I~~ I ever met the man in my life.

Q. You were never on any parties, drinking parties or otherwise, with him?

A. Never.

Q. Turning to Mr. Shrubb -- possibly before I get there, is your evidence that you only met Mr. Bartlett on one occasion?

A. Yes, I believe I told Mr. Wilson that yesterday.

Q. And you never spoke to him on the telephone?

A. No, not to my knowledge.

Q. On any occasion. Now, did some one see you to your knowledge the evening you went to visit Mr. Bartlett?

A. Pardon?

Q. Did some one see you ---

THE COMMISSIONER: It is a prettybroad question. Did he see him where?

MR. MacKINNON: Q. When you were attending at those premises?

A. I don't know that, Mr. MacKinnon.

Q. You didn't run into any one you knew as you were coming out of the premises?

A. Not to my knowledge, no.

Q. Now, turning to Shrubb and your meetings with him, they have already been gone into in detail and I do not propose to deal with them, but your position is for the most part, I take it, that what Shrubb says you told him you say that that is not the fact. Rather, he told you these things, namely about Maloney being your Member and about wanting to get a gas station on Highway 400, and all those things, and about the gambling roulette wheel, these things were all told to you by Shrubb. Is that your position?

A. That is what I told Mr. Wilson.

Q. That is what you now swear, is that correct?

A. Yes, I believe I swore to that yesterday.

Q. So that the position ---

THE COMMISSIONER: You are swearing to it again to-day?

A. Well, what does that mean? I don't understand that. If Mr. MacKinnon can tell me what I am swearing to, then I can swear to it.

Q. Well, you are swearing again to-day to what you swore to when Mr. Wilson was asking you, that is what I understand?

A. I'm not sure that that is just

clear in my mind, Mr. Roach, and that is why I asked Mr. MacKinnon to tell me what I am swearing to.

MR. MacKINNON: Q. Well, you were swearing that it was Shrubb ---

A. I swore toMr. Wilson yesterday whatever I said about Shrubb, yes, I swore to it.

Q. That is right, so the position is this ---

A. Am I swearing to what I swore? Is that what I am saying now?

Q. I just want to put this position to you. The position is this, that either you were lying or Shrubb is lying, is that correct? Shrubb has sworn that you told him these various items that Mr. Wilson went through with you yesterday. You now swear that that is false, that rather than you telling Shrubb about these things, it was vice versa and Shrubb told you about the roulette wheel, about the service station on Highway 400, about Maloney being your Member?

A. That is what I swore to Mr. Wilson.

Q. So it is either you or Shrubb are lying, quite clear, isn't it?

A. Well, I don't know what Shrubb said to you people up here.

Q. You have been told by Mr. Wilson.

A. And I don't care what Shrubb said to you people. I swore to Mr. Wilson to the questions he asked me.

THE COMMISSIONER: They both made statements under oath.

MR. MacKINNON: That is right.

THE COMMISSIONER: Diametrically opposed.

MR. MacKINNON: Q. So somebody is a liar. Just in that connection, when he said that he was wanting the gas station and he suggested to you, the Commissioner had asked you: "What did he want you to do?", and your answer was: "He wanted me to finance this venture." You were being asked this time about your meeting with Shrubb on, I believe it was, August 31st, 1956, when you met him for the first time. Now, is it true that Shrubb on that occasion was discussing the highway, this question of a gas station on Highway 400, and wanted you to finance it, that is what he wanted you to do?

A. He had suggested that he would like to get finance to me on occasions, telephone calls prior to that, and as I recall it on that occasion, yes.

Q. That is right, that is your story. Yet on the same occasion this is what you say at page 10115:

"What else did he talk to you about,

"as you recall, on that occasion?"

This is Mr. Wilson asking you about later on:

'A. As I recall he said that he

"knew of a front end in the Queensway

"just down a block or so from where

"I live and that he knew that that

"was my front end and that he was

"out to arrest this and get a

"conviction against me."

Are you telling us, witness, that he was in one breath telling you he was out to get you and going to get a conviction, and in the next breath asking you to finance his gas station venture? Is that what you would have us believe?

A. That is what ---

Q. That is what you said?

A. That is what I am telling you.

Q. Is that what you are sticking with?

A. I could never understand Shrubb, why he would say something like that. I was always of the opinion that Shrubb was looking for me to offer him some money, that when he came down here from Chatham and got in charge, as he was supposedly to have been promised to be put in charge of the gambling squad, that he thought he was going to make a lot of money.

Q. Of course, you never offered

him any?

A. I never offered the man money in my life, and wouldn't offer him.

Q. Oh, no.

A. But he left me with the impression that he wanted me to offer him some money.

Q. Why wouldn't you offer a man some money? What would you have against doing that?

A. I don't understand you, Mr. MacKinnon.

(Page 10425 follows)

Q. We have been talking about bribing police officers, witness. You are not that obtuse. Why wouldn't you bribe a police officer? What would you have against it?

A. What would he do for me? He couldn't do anything for me. Mr. Anderson gave testimony at my trial, that there was no difference when there was a tip-off than when there wasn't.

Q. That wasn't what the Sergeant's evidence was here, but you repeat what you like.

A. I am just repeating the evidence he gave at my trial. We didn't need no tip-offs.

THE COMMISSIONER: Q. You wouldn't bribe a police officer because he couldn't do anything for you; is that what you say?

A. No, I don't say that, Mr. Roach.

Q. What do you say?

A. What would I want to give him money for?

Q. Because he couldn't do anything for you. That is what you are recorded as saying.

A. He couldn't do nothing for me.

Q. That is what you are recorded today.

A. He couldn't do nothing for me. I don't need anything he could do for me.

Q. For that reason you didn't attempt

to bribe him?

A. I never did.

Q. That was the reason?

A. I never thought of it in that light, Mr. Nash.

Q. You had nothing to gain?

A. Nothing whatsoever.

MR. MacKINNON: Q. Wouldn't you want to know ahead of time that there was going to be a raid so that you could get the businessmen out? We know of one occasion where the businessmen left earlier so they wouldn't be caught in the raid. Wouldn't that be of some assistance to you?

A. No.

Q. To keep your clientele?

A. The police raided that club lots of times over the years and there was plenty of business there.

Q. So Sergeant Cronin and any of the rest of them couldn't be of any help to you whatever?

A. Not as far as I was concerned, they could not be.

Q. I take it then, I understand your answer on the question I asked previously, that is according to your story, Shrubb was in one breath asking you to finance him and in the next breath saying he was going to get a conviction against you. You thought that

was a bit strange; is that right? In the secret interview, according to you, he would say he was out to get you.

A. I must agree with that. I thought and still do think that Shrubb is a little strange, anyway.

Q. He is an honest policeman. That may be strange to you. But he was out to get you, you thought; is that correct?

A. Yes, sir.

Q. You also said that Shrubb had told you that Napolitano was working in a real estate office, and that is how you got wind of that; is that correct?

A. That is correct. I believe I testified to that yesterday.

Q. He told you it was Napolitano, did he? You said you went and looked him up.

A. No, I don't believe I told Mr. Wilson that yesterday. It seems to me the name that he gave me was Syl Knapp.

Q. You think he actually told you the name "Syl Knapp", do you?

A. Yes, sir.

Q. And told you Syl Knapp was trying to get into your club?

A. I don't know whether I testified to that to Mr. Wilson.

Q. Are you now testifying to it?

A. I am saying Shrubb told me he

was an undercover man and not to tell anybody. I don't recall Shrubb saying that "he is trying to get into your club". I don't recall that, sir.

Q. Why would you be interested in him, then?

A. You mean, enough to go and see if it was a fact?

Q. That is right.

A. In view of the fact of after Shrubb telling me and thinking about it, I went to see if it was a truth or fallacy.

Q. Mr. Cohen, of that particular firm, had been sponsoring this Syl Knapp application for membership, hadn't he?

A. Of which firm?

Q. Of the real estate firm.

A. I don't know that.

Q. Well, isn't it a fact that after you took this picture, and then refused to let Napolitano in, that you also refused to let Mr. Cohen in there after? Kirk Cohen?

A. I don't recall this name, Cohen, Mr. MacKinnon.

Q. You don't recall keeping him out of the club after he attempted to get Napolitano in?

A. No, I don't recall that at all, Mr. MacKinnon.

Q. Now, we have heard something

about Airgo. It is a fact, isn't it, witness, your name and Mr. McDermott's name has never appeared as having any interest in Airgo; is that right?

A. I don't believe we have, either of us, appeared as a director of that company.

Q. Or shown as anything else?

A. Or which?

Q. Or shown as anything, any other interest, director, shareholder or anything else on the papers filed with the Federal Government?

A. Subsequently, I believe, it was made known. After that the authorities, in some way or other, I just recall hearing about it through Mr. Humphrey and Mr. McDermott. The mechanics of it, I don't know. I am of the opinion that it was made known to them that McDermott and I were shareholders.

Q. Made known after you had got rid of the Airgo charter?

A. The dates and that -- you might be correct, Mr. MacKinnon, I couldn't swear to that.

Q. Why did you not want them to know that you and McDermott had an interest or actually owned this airline?

A. Why we didn't want whom to know?

THE COMMISSIONER: Anybody.

MR. MacKINNON: Q. Anybody. The public

authorities in particular.

A. I never felt that we didn't want the public authorities to know that because certainly it was common knowledge around the Island airport. We spent considerable time down there, so I didn't feel we didn't want anybody to know.

Q. Why didn't you take it in your own name then?

A. I just don't recall the reason right now, Mr. MacKinnon, why it wasn't purchased in our own names.

THE COMMISSIONER: Q. The reason is, you didn't want your own name connected with it. Isn't that plain?

A. No, I disagree with that, Mr. Roach. I don't think that is the reason at all.

Q. If that wasn't the reason, tell me what was?

A. I just can't think of the reason now. We both spent considerable time at the office, at the office where Airgo was, and it was common knowledge around the Island airport that we were the owners of Airgo.

THE COMMISSIONER: All right. But you didn't want that on the records of the company.

MR. MacKINNON: Q. When did you buy ---

MR. WILSON: Mr. Commissioner, they were

on the records of the company.

THE COMMISSIONER: Were they?

MR. WILSON: Yes.

THE COMMISSIONER: When?

MR. WILSON: November 26th, 1960, Feeley resigned and transferred one share to Leslie Harlick, in the minutes, and on the same date McDermott transferred one share to H. Harrison, and each did, at the same time, transferred 5,000 shares each to the same gentlemen, on November 11th, which is a few weeks before McDermott had been elected president.

THE COMMISSIONER: That is at the time or immediately prior to the sale.

MR. WILSON: I just wanted to bring that to your attention. I have the full details here at the moment.

MR. MacKINNON: Now then, what I am interested in is down at Ottawa.

MR. WILSON: That is different.

MR. MacKINNON: That is right.

Q. I am talking about public authorities having any knowledge of who the people were behind the operation. Why did you want to buy this company in the first place, witness?

A. As an investment and, I think in our original thinking, it was probably utilizing aircraft in the bush in the summer time.

Q. Now, isn't it a fact that you

bought it from Humphrey and Locke on October 19th, 1959?

A. That, Mr. MacKinnon, you have the date. I don't know. It very well could be.

Q. Isn't it also a fact that you didn't buy this company until the Air Transport Board had granted a Class 9 licence to Airgo, which provided or allowed for international passenger and cargo flights?

A. Are you saying it was bought in October?

Q. This licence was granted September 15th, 1959.

A. And you say we bought it in October?

Q. October 19th.

A. What is it you want me to tell you?

Q. I am asking you, isn't it a fact that you didn't buy this until it had an international licence, and then on October 13th it got its formal operating licence for this class to allow international carriage by air?

A. I don't think that was ever a determining factor in the purchase. Is that what you are suggesting, Mr. MacKinnon?

Q. I am suggesting first of all, you didn't buy it until it had that licence. That is pretty clear from the record.

A. That may be. I don't know anything about that.

Q. You weren't interested if it didn't have that license?

A. I don't believe I ever read or understood that fully, Mr. MacKinnon.

Q. Didn't you want ---

A. Until you are explaining it to me here, now.

Q. Didn't you want it for the carriage of cargo between Canada and the United States?

A. I wouldn't think so.

Q. Who else would think so? Did you never use it as such?

A. I don't believe, and the records must speak for themselves, I don't remember ever charting any aircraft to the United States from that company.

Q. But did you ever take it to the United States?

A. Take what, sir?

Q. Airgo airstaft.

A. No, I never ever took a plane, myself, to the United States.

Q. Now you are being very technical.

THE COMMISSIONER: Q. Did you ever go or ride in one of these planes to the United States?

MR. MacKINNON: Q. That is right.

A. I don't believe I did, sir.

Q. How about McDermott?

A. I kind of think that there was one

occasion that he and Mr. Humphrey went to New York in one of the planes. That is to the best of my knowledge, the one and only time.

Q. Was Sam Cowly one of your pilots or a pilot for Airgo?

A. Yes, he was employed by me.

Q. Did he ever fly down to the United States?

A. Oh, yes, sir, he flew.

Q. From Airgo?

A. He flew righty to Cuba and he was captured in Cuba.

Q. He was imprisoned there?

A. Yes, he was, during the revolution.

Q. Had he gone to Cuba on yours and McDermott's instructions?

A. I would say no.

Q. He was having a joyride of his own, was he?

A. No. Well, he may have been. You might put it that way.

THE COMMISSIONER: Q. Is that a fair way of putting it?

A. No, I wouldn't think it would be fair to Cowly.

Q. What would?

A. Well, he left Key West.

Q. Was he going on business for you?

A. On business, sir?

Q. Yes.

A. To Cuba?

Q. Yes.

A. Oh, no sir. Well, it was just about the time of the revolution, that winter, and he left Key West,as I recall having it explained to me, when he arrivdd at Jamaica, and he had some trouble,ran out of gas, I believe that was it, and he set down on the south-east coast of Cuba to refuel and that is when he was captured.

Q. He didn't intend to land in Cuba?

A. No, sir.

Q. Where was his intended destination?

A. Jamaica.

Q. On business for you?

A. He was coming to see me in Jamaica.

MR. MacKINNON: Q. Was he accused by the Cubans of attempting to smuggle currency?

A. Oh, no sir.

Q. He wasn't?

A. Not to my knowledge, he was not.

Q. He is one fellow, he is not dead, is he? He is still living in London, Ontario?

A. I believe he is.

Q. He quit the job when he came back from that trip, didn't he?

A. It seems to me he did. I don't know the exact year when he got back into town, but some time after that, yes.

Q. Isn't it a fact that he didn't like the kind of work you were giving him or asking him to do?

A. He never told me that, Mr. MacKinnon.

Q. He never had another job to go to at the time, did he?

A. It seems to me he opened up a flying school of his own, as I remember it, in some small town out here, on his farm.

Q. But at the moment he left you, he had no other job in sight; isn't that correct?

A. I would only be guessing at that, Mr. MacKinnon.

Q. Now, you also mentioned George Rindy Reid, who was apparently the registered owner of one of the aircraft. Did you tell Mr. Wilson you had no interest in that aircraft?

A. No. I think the way I put it or explained it, Mr. MacKinnon, was that we were going into the ownership of this particular aircraft, KQQ, I think it was, and I explained to Mr. Wilson that a previous aircraft, which I forget the registration right now, was subsequently traded in on KQQ, and Reid paid the difference.

Q. But the earlier aircraft was also owned by you, wasn't it? The one that was cracked up? The trade-in? Was this the one that belonged to Humphrey?

A. Yes.

Q. That was yours?

A. Yes.

Q. So in other words, although it was registered in Reid's name, it was yours and McDermott's aircraft; is that correct?

A. No, sir. It was really Reid's aircraft. Reid owned it.

Q. He paid the difference?

A. That is right.

Q. He had no pilot's licence, did he?

A. No,and he couldn't get one, either. Eventually, when he went to make application for one, he had a heart condition and they wouldn't give him one.

Q. Do you now say you never told anyone this aircraft was yours and McDermott's?

A. Do I now say what?

Q. That you never told anyone that this was yours and McDermott's aircraft, and that Reid had no interest in the aircraft?

A. Oh, I don't know about that, Mr. MacKinnon.

Q. You may have told someone it was your aircraft?

A. Yes, I may have.

Q. Why would you do that, if it wasn't?

A. I don't know of any particular reason.

Q. Now, ---

THE COMMISSIONER: Are you nearly through?

MR. MacKINNON: Yes.

Q. Mr. Wilson mentioned the Moosonee trip. You had Monteith on that trip with you, did you?

A. Yes, Monteith was on that trip. That is A.B. you are speaking of?

Q. Yes. Now, these gentlemen that were on the trip with you - did you stay at the same place? These gentlemen from Detroit, William Tocco, Anthony Tocco, Jack Tocco and Nelio, and Dominic Corrado, did you all stay at the same place together?

A. The same camp?

Q. That is right.

A. Yes, sir, we stayed at the same camp.

Q. Presumably you would be talking together while you were up there, would you not?

A. Yes.

Q. The eight of you?

A. How many?

Q. Eight. There was you and Feeley (sic) and Monteith and these five gentlemen from Detroit.

A. There was only four.

Q. Yes, four. How many Toccos were there? Two or three?

A. Tocco?

Q. Toccos, then.

A. There were two.

Q. What were their names?

A. Jack and ---

Q. Tony?

A. Anthony.

Q. Anthony. And then Vincent Nelis.

A. Yes.

Q. And Dominic Corrado?

A. That is right.

Q. Now, do you say that you had never met any of those people before?

A. No, I don't believe that was my evidence. I believe I said I met Corrado.

Q. You had met Corrado. And you knew -- Mr. Wilson said that none of them had a criminal record, but isn't it a fact that Dominic Corrado did have a criminal record?

A. Not to my knowledge, sir.

Q. And so far as them being connected with the Mafia, were you not aware, or are you not aware, that there was, indeed, a national broadcasting company television program centering around the Toccos and Grosse Point, which was entitled, "Crime Does Pay", and alleged that Tocco and his relatives were all members of the Mafia. Were you not aware of that?

A. No, sir, I never heard about that

before until this minute that you mentioned it now.

Q. Well, what were these gentlemen from Detroit doing up at Moosonee?

A. Hunting.

Q. And what were they hunting?

A. What everybody that goes up to the camp hunts for. Geese.

Q. So are you telling us now, you are out all day, the bunch of you, hunting?

A. Yes, I am, and I will tell you another thing.

THE COMMISSIONER: Never mind.

THE WITNESS: That Mounties were there all the time we were there. The Mounted Police.

MR. MacKINNON: Q. I presume they were not in your rooms with you, were they?

A. They had dinner with us. They had all their meals with us.

Q. Presumably, you had discussions or little get-togethers in your rooms, didn't you, in the evenings?

A. I think most of the activity there centered around thedining room and the lounge, and it was quite a size room and everybody used to sit around there in the evenings until it was time to go to bed. We went to bed quite early, eight, eight-thirty, nine o'clock, because we used to get up quite early in the morning, four, four-thirty, to go hunting.

Q. Who made the arrangements for these men from Detroit to go up to Moosonee?

A. Pardon?

Q. Who made the arrangements for these men from Detroit, McDermott or yourself?

A. Yes.

Q. It was McDermott?

A. Yes.

Q. Now, did he know these four gentlemen?

A. I couldn't swear whether he had ever met the Toscos before the night of the departure that Mr. Ryan had the room in the Royal York.

Q. And he paid the bill for these gentlemen, didn't he?

A. As I recall it, Mr. MacKinnon, we all paid our own way. Whether Mr. McDermott actually took the cash and gave it to whoever it was, whether it was Hennessey or Ryan, I couldn't swear to that. But I know that each one of us paid our own way.

Q. Well, did these gentlemen from Detroit reciprocate and invite you and McDermott down there for a little game?

A. For which?

Q. For a little amusement of some kind, to reciprocate for this trip up to Moosonee?

A. I believe Corrado did invite me

and McDermott on that trip, to some place in the States at some later date, which escapes my memory now, on a hunting trip.

THE COMMISSIONER: Q. Did you go?

A. No, sir.

MR. MacKINNON: Q. Did you ever meet the Toscos again?

A. No, sir.

Q. Did you ever talk to them on the telephone?

A. Not to my knowledge.

Q. Did McDermott ever talk to them on the telephone?

THE COMMISSIONER: McDermott will be here and he can answer that question.

MR. MacKINNON: Q. Do you know whether he did?

A. Not to my knowledge, Mr. MacKinnon.

Q. Do you know whether he met them subsequently in Detroit?

A. No, I wouldn't know that, Mr. MacKinnon.

Q. He didn't report that to you. If he did, he didn't report it to you? That is right?

A. That would be right.

THE COMMISSIONER: Q. When he paid the bill, did he pay it out of his own pocket or out of the partnership funds?

A. I thought I made that clear, Mr.

Roach, I am sorry. As I recall the paying -- when the time came to pay the bill, each man paid.

Q. Right then and there?

A. Right then and there, paid for his own expenditures.

Q. I misunderstood you. I thought he footed thebill in the first instance and then with that, each paid him.

A. No. I don't believe I said that, Mr. Roach.

THE COMMISSIONER: All right.

MR. MacKINNON: Q. And do you now say that you did not and do not know that so far as the American policeare concerned, that all those men are considered to be members of the Mafia in the United States?

A. I didn't know it then and I don't know it now.

Q. There was no discussion of that up at this Moosonee meeting, I take it?

A. Of which, sir?

Q. Of their connections with the Mafia.

A. No.

Q. Now Shrubb has sworn that on one of these occasions when you were calling to try to promote a raid on the Ramsay Club, on May the 22nd, to be exact, you started that conversation by asking him why Shrubb was making

inquiries at the Motor League the day before, as a result of Mr. Bowman's inquiry of Corporal Shrubb. Now, how did you know about the fact that Shrubb had been requested to make inquiries and had made inquiries the day before about your licence number at the Motor League and at the licence bureau?

A. I just don't recall this. What does Shrubb say?

Q. Shrubb swore that on the call of May 22nd, you made reference to the fact that he, Shrubb, had been looking into your licence number and who was the registered owner of a certain car, etcetera, the day before, and that you had approached the licence bureau at Queen's Park and also the Ontario Motor League, and he suggested he had not revealed this to anyone, that he was making these inquiries. You apparently knew within 24 hours. How did you know?

A. I don't know that I recall this at all, Mr. MacKinnon.

Q. A complete blank, is it, witness?

A. I don't recall anything like this being discussed at all with Shrubb.

Q. Do you deny you had discussed it with him?

A. If I can't recall it, I couldn't deny whether I did or didn't, Mr. MacKinnon.

Q. So if you did, you must have got

some quick information from someone; is that correct?

A. If I did, it would appear that way, from what you said.

Q. I am just quoting the sworn testimony here.

A. I can't swear one way or the other, Mr. MacKinnon.

Q. Obviously, I take it, you can't tell us, if you did get the information, where it came from?

A. No, sir.

Q. Excuse me for jut a moment, sir. I am just about finished.

I believe one of your statements to Mr. Wilson was, and this coincides very well with what Lamorie said Balsam said to him, if everybody did the same thing, no one would get into trouble. You were talking about the evidence you were going to give here. Now, did you come to an agreement with all your friends in this matter that you should all tell the same story?

THE COMMISSIONER: That isn't the way he put it, Mr. MacKinnon.

MR. MacKINNON: If everybody did the same thing, nobody would get into trouble.

THE COMMISSIONER: Don't take that out of context. He swore at a subsequent Royal Commission, if each one came here and told the

truth, no one would get into trouble.

MR. MacKINNON:Q.Is that your position?

A. I have lost you, Mr. MacKinnon.

Q. If everybody did the same thing, nobody would get into trouble. What the Commissioner has concluded from your evidence is that if everybody told the truth, nobody would get into trouble. Is that the conclusion you came to in discussing this matter with Sammy Balsam and with Lawrence and Lamorie and Wright?

A. I never discussed anything with Lamorie.

Q. You never discussed what your evidence would be here?

A. Never in my life.

Q. MacDermott has met Lawrence, hasn't he?

A. I believe he has met him on one occasion.

Q. Isn't that the purpose, to discuss what their story would be here?

A. I don't know, you will have to ask him what it was for.

Q. You did discuss it with Mr. Balsam, ofcourse?

A. The only thing I said to anybody was that I was going to tell the truth when I came up here.

Q. And Sam Balsam told you the same

thing?

A. I believe he did.

Q. So you were happy with one another?

THE COMMISSIONER: Well, what difference does it make whether they were happy or unhappy?

MR. MacKINNON: It is nice to have the same story. It does make for uniformity and equanimity, I suggest, between all these people.

THE COMMISSIONER: Have you any questions, Mr. Rose?

MR. ROSE: Do I understand, Mr. Commissioner, that Mr. MacKinnon has now finished with this witness?

THE COMMISSIONER: I understand so.

MR. ROSE: He told me today he would be asking questions until Thursday, at the earliest. I may have a couple ofquestions I might like to put to this witness in re-examination.

THE COMMISSIONER: Let us have them now, and we won't have to bring him back in the morning.

MR. ROSE: Perhaps if it could be done in the morning, so I might have a chance to look over my notes.

THE COMMISSIONER: If you have only a couple of questions, why not do it now?

MR. ROSE: When I say a couple of questions, that is merely an expression.

THE COMMISSIONER: You are not ready to

re-examine now?

MR. ROSE: I would be in the morning.

THE COMMISSIONER: You are not ready now?

MR. ROSE: As I say, I was taken by surprise. Mr. MacKinnon told me he would be asking questions until Thursday.

MR. MacKINNON: I told him that in a kidding way and said I wouldn't be too much longer.

THE COMMISSIONER: All right, tomorrow morning at ten o'clock.

---Whereupon the hearing adjourned at 5:05 o'clock p.m. until tomorrow morning at 10:00 o'clock a.m.

-- FILE COPY --

VOLUME NO. 52

ROYAL COMMISSION

ON CRIME

IN ONTARIO

DAILY TRANSCRIPT
OF PROCEEDINGS

Date Tues., Sept. 25, 1962,

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VOLUME 52

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A/RJH/1

TUESDAY, SEPTEMBER 25, 1962

---On resuming at 10.20 a.m.

MR. WILSON: Mr. Commissioner, I would like to call a short witness, Joseph B. Ryan. Will you call Mr. Ryan, please?

THE COMMISSIONER: Very well.

MR. WILSON: Mr. Malone is here representing Mr. Ryan, Mr. Commissioner.

THE COMMISSIONER: Yes.

JOSEPH B. RYAN, sworn,

EXAMINED BY MR. WILSON:

Q. Where do you reside, Mr. Ryan?

A. At the moment in Edmonton, Alberta.

Q. And in 1958 did you have an interest in the James Bay Goose Club?

A. Yes, I was a stockholder.

THE COMMISSIONER: Please speak a little louder, please.

THE WITNESS: I was a stockholder and helped with the management.

MR. WILSON: Q. Was it a stock company?

A. Yes, it is a limited company.

Q. Were you one of the main share-

holders?

A. Well, I would say actually a company of which I was vice-president, I was the main shareholder as far as stocks were concerned.

Q. What company was that?

A. Craddock Holdings Limited.

Q. And you were associated with that company?

A. Yes.

Q. And you say that that company was the main shareholder?

A. Yes, the main shareholder; yes, sir.

Q. And how long had you been interested in that club, prior to 1958?

A. I just cannot recollect, we had it a couple of years before that, and we started it, we built it ---

THE COMMISSIONER: Who is "we"?

A. Craddock Holdings and Alex Hennessey was the other major partner.

MR. WILSON: Well, Alex Hennessey, where does he reside?

A. At Moosonee.

Q. At Moosonee?

A. Yes.

Q. And you say you had something to do with the management?

A. That is right, I used to kind of handle the arrangements in Toronto for booking the people -- which was handled through our

office.

THE COMMISSIONER: Through what office?

A. Through Craddock Holdings office, sir.

MR. WILSON: Q. Well, did you have something to do with the booking of a trip by Joseph McDermott, in September of 1958?

A. Well, I had something to do with it to this extent, that it was booked through our local office. There were seven people booked in, as I recall it. I think, as I recall it, that Mr. McDermott made the booking, but I would not be too sure. It was some one of their group that made the booking for seven people.

Q. Did you know any of these people who went with McDermott and Feeley?

A. I don't know any of them. I did not know Mr. McDermott or Mr. Feeley prior to that trip.

Q. Well, were you present -- were you at the club at the time?

A. Yes, I was there the week -- it is a week's term -- five days, to be exact, and I was there during that time with a lot of other people from New York, who came over from Albany, New York, on that trip.

Q. How many people does this club accommodate?

A. We could accommodate forty, but

we have never, to my recollection -- we never had over twenty-four or twenty-eight at any time up there.

Q. So, on this particular occasion, there were a number of other guests?

A. Yes, there was the vice-president of Musak Corporation of America, and New York Herald Tribune, and a number of peop le. They were only a part of -- they were just six or seven other people, so far as I was concerned.

Q. Well, did you meet these people who were with McDermott and Feeley, the Tocco brothers, and Meli, and Corrado?

A. Yes, I met them in the Royal York Hotel prior to going up. We used to gather our group of say twenty to twenty-four people, and we always had a private car on the Canadian National. We took them all up together, brought them up by boat, and took them out again by boat and booked them back on that particular train. There would be, I would say, in the neighbourhood of twenty people.

Q. And did you get to know the peop le who were with McDermott and Feeley, and what their business was?

A. No, I didn't get to know them any more than I would get to know any of the rest of the hunters there. You get to know

them, I would say, to that extent. We made arrangements for them, and they had two cabins but they would come into the main lodge at meal times, and I would get them out at 4.30 in the morning for hunting. That is all I know about them at this time.

Q. Well, you say you had not known McDermott and Feeley prior to this time?

A. No, I understand that the first year at the camp, and while I am not too sure of this, that McDermott had been hunting there, and there were two or three other people, but as I say, but I wasn't in the professional business, except running a goose camp, and we had an interest in this and we arranged the bookings through our office, and apart from that I used to go up myself for one week of each of the five weeks -- I used to go.

Q. Did you have any dealings with McDermott or Feeley after that time?

A. The only dealings I had with McDermott or Feeley after that was when I was posted at one time, I believe it was Mr. Feeley, to make -- we had an airline, a small airline, which we used to operate at Toronto Airport, and it wasn't doing too well, and Mr. Feeley asked me if I would be interested in selling it, and I said yes, if the price was right that I would be

interested, but nothing ever developed.

Q. Nothing ever developed?

A. No.

Q. Now, we have in evidence here a reference to a telegram originating in the Royal York, Toronto, under date of September 22nd, 1960, and charged to the account of Craddock Holdings, addressed to H.A. Harrington, James Bay Goose Club, Moosonee, Ontario. Now, there are references to other parties in the telegram, and I won't read the whole of it, but I will read the part that refers to the McDermott party:

"Joe McDermott party 18 fourth week

"is cancelled Purple Gang in trouble.

"Signed J.B. Ryan."

Now, what was the arrangement that was made in that fall? Had McDermott arranged a party of eighteen?

A. I would not recall the numbers, but he had arranged for a party to go up there. He had made a reservation. Sometimes they go, sometimes they don't, but I do recall we had a reservation for McDermott, whether directly or not it came from McDermott, I do not know, and this was a kind of a facetious remark, inasmuch as this was two years subsequent to the time these four boys from Detroit had been up there, and some of my New York friends were up there at

the time, and they said -- I shouldn't use these words -- were foreign looking, and gained a little attention that some of the others did not quite demand as much, and as a matter of fact one of the fellows from New York christened them the Purple Gang, and two years later they made reservations -- at least Mr. McDermott's party made reservations at the camp, and then I picked up the paper and I saw where Mr. McDermott was having some trouble -- at least it was published in the paper, and a few days later I got a phone call saying that this booking was cancelled. So that is the -- that is the result of that. As I say, maybe the term was unfortunate, it was a label that was put on -- not by me, but by some other guests at the camp.

/2 Q. It was early in September -- I think September the 7th, 1960, that McDermott and Feeley were arrested, and I take it that is what you are referring to?

A. That would be about the time, because the reservations were made, I believe, in the latter part of August.

Q. So that is your explanation of why you used the designation?

A. That is the only explanation there is.

Q. And did you in fact know anything

about these individuals or their background?

A. No, I didn't.

Q. Or their activities?

A. No, I read something in Life Magazine a long time ago of a kind of a family tree, or something similar to this name, but anyway they were not the same people. I may add that the R.C.M.P. came over to see me, and asked me a lot of questions about these people. I gave them any information I could, and they came back a year later for pictures, which I was able to find for them, and I gave them that, and that is all I know about these people.

MR. WILSON: I think that is all, thank you.

EXAMINED BY MR. MacKINNON:

Q. We heard from Mr. Feeley yesterday that the R.C.M.P. were present while these gentlemen were up there on that particular visit, do you remember that?

A. That is correct. Well, all the camps have a resident R.C.M.P. officer.

Q. And after these particular individuals left, you say the R.C.M.P. asked

a lot of questions about them?

A. About two or three months after the week they spent up there, I was called by the R.C.M.P., and I made an appointment to see them, and two plainclothesmen came over and they had names of these parties and that they had stayed at my camp, and my records concurred with their records, and I still did not know why they came over, but I gave them all the information that they asked for. And then about six months after that they came back again, and wanted to know if we had taken any photos, and as it was, we had taken a few photographs, and I was able to obtain some photographs which they took and copied and then they returned them to me.

Q. You have stated that some of your New York friends had christened them the Purple Gang. Did these friends know these people at all?

A. I don't think so. They never indicated to me that they knew their background and I would say that this expression probably arose out of their appearance. However, I don't know, I don't know how it arose, to tell you the truth. If they knew anything about their background they did not indicate it to me.

Q. Now, you also stated that

McDermott made reservations for a party, a year or two years later, which had to be cancelled?

A. Yes.

Q. And this telegram arose out of that cancellation. Was he inviting the same people up?

A. That I could not say. I would not know whether he was or not.

Q. Was any statement made to you?

A. Not exactly -- we are not exactly a motel. We only have twenty-four -- we could only handle a few more, but the primary concern was the number of people, that is all. You might call us up and say youwant a reservation for six or eight people, which happens to-day, and you only get the number, and then of course when they arrive we get them to sign the registration cards.

Q. And do you know who paid their bill while they were up there?

A. I know I received the money from Mr. McDermott, but that could be a collection -- I don't know.

Q. So far as you were aware, Mr. McDermott physically handed the money to you?

A. He physically handed the money. He came in when they were leaving and said, "Here is so many hundred dollars".

Q. And he was the one who arranged

the reservations in the first place?

A. Well, I think he was -- let us say it came through that -- I couldn't swear to the fact that he definitely made the reservations.

Q. Your description of what these people had interested me. You said that they had two cabins?

A. Yes.

Q. They would be separated from the main lodge, would they?

A. Well, we have -- our set-up is that we have a main lodge that handles twenty-four people.

Q. Yes?

A. And then we have some, actually they are converted ~~in~~ cabooses, that accommodate four, so that this party of seven people, as I recall, occupied two of them adjacent to each other.

Q. And would there be enough room for them to sit in those cabins?

A. Yes.

Q. Comfortably?

A. Yes, there would be chairs there.

Q. Is there a fireplace in the cabins?

A. No.

Q. There are heating arrangements, I take it?

A. Yes, they are heated.

Q. So, if they wanted to have a meeting, they could meet in these cabins?

A. I guess so, there is no reason why they couldn't. They spent a good deal of time in the lodge like most of the hunters do. We have a lounge there and they come in from hunting and they sit around there.

Q. Now, you mentioned it was Craddock Holdings that had an interest in this club, and that you were one of the main shareholders -- or one of the important shareholders of Craddock Holdings?

A. Yes.

Q. And who is the other shareholder?

A. The shareholders in Craddock Holdings, then and now, were Mr. Craddock, myself and James Westell. I would say that Mr. Craddock was two-thirds of the shareholder.

Q. And you were what -- one-third?

A. Approximately one-third of Craddock Holdings. Mr. Hennessey is approximately one-third of the holder of stock in the Goose Camp.

Q. And you have the same interest in Craddock Securities?

A. Did I?

Q. Yes.

A. I had, it worked out to about sixteen per cent.

Q. And once again in that particular company I suppose Mr. Craddock would be the major shareholder?

A. He was the major shareholder, and Mr. Westell was sixteen per cent shareholder.

Q. Did you know Jack Weaver?

A. I don't recall him.

Q. How about Fred Gabourie?

A. I recall meeting him some place, but if he walked through the door to-day I would not know him, I will put it that way.

Q. Do you recall -- did you meet him at the Craddock offices?

A. Could be. I could have met him there.

Q. And did I understand you to say that you understood that McDermott had been up there before?

A. This I have -- I heard after they came back from the first party -- I don't know whether it was Hennessey who told me, or somebody, that he had hunted up there before. Now, I would not want to go on record as that being correct, but it is a possibility, but not with that group. He had been up there with somebody else.

Q. You are sure of that?

A. Yes.

Q. So far as Craddock Holdings is

concerned, did it sublease some of its space?

A. In our offices?

Q. Yes.

A. Yes, well, we didn't sublet it, as I recall, we -- as I remember it, Mr. Shannon had part of our space, he sublet from us, and ---

Q. What about Valana Holdings Limited -- V-a-l-a-n-a -- does that strike a chord?

A. As I recall it correctly, Valana A/3 Holdings took over an office, which was part of the suite, which had a separate entrance on the corridor, and that was originally where Mr. Shannon used to have his office, and he moved down there.

Q. And Valana moved in?

A. Yes.

Q. Do you know if that was controlled by Weaver and Gabourie?

A. I don't know. I had no interest in it whatsoever, it was just people who occupied the office. That name Gabourie rings a bell, to the extent that he was around there some place.

Q. The name Gabourie rings a bell that he was around there some place. It could have been with Valana?

A. He could have been with Valana.

Q. You did not know him as a bookie?

A. No, I didn't. I don't know any

bookies.

MR. MacKINNON: That is all.

MR. ROSS: I have no questions, thank you.

MR. WILSON: That is all, thank you.

THE COMMISSIONER: That is all.

---The witness retired.

MR. WILSON: Now, we will recall Mr. Feeley.

VINCENT BERNARD FEELEY, resumed.

MR. WILSON: I think Mr. Rose has some questions.

THE COMMISSIONER: Yes.

EXAMINED BY MR. ROSE:

Q. When you were being examined by Mr. Wilson, you stated that you never had any formal partnership agreement with McDermott. Do you recall that?

A. Yes, I do remember saying that.

Q. I show you a declaration of partnership, in the County of York, take a look at that, and see if it is familiar?

A. Yes, it is.

Q. And that is dated on the 3rd day of June, 1954. It states in effect that you and McDermott carried on partnership since the 10th of April, 1954, in respect to being vendors in a medicinal preparation under the name of The Dewsbury Company?

A. That is correct.

Q. Is that the only formal partnership agreement you have ever had with McDermott?

A. Well, at the time I spoke to Mr. Wilson ---

THE COMMISSIONER: What was that?

THE WITNESS: At the time I spoke to Mr. Wilson about this, it had slipped my memory, and that, to the best of my knowledge, is the only partnership.

Q. That is the company that subsequently Cronin went into, or took over?

A. That is right.

THE COMMISSIONER: Do you want to file it, Mr. Rose?

MR. ROSE: Not unless you want it.

THE COMMISSIONER: It will only clutter up the record.

MR. ROSE: Very well.

Q. Now, in respect to the new Ramsay Club in Niagara Falls, what is -- what was your understanding as to the person who was in charge of that club, and the principal in it?

(Page 10470 follows)

/1/GS

THE COMMISSIONER: What is your question?

MR. ROSE: In respect to the new Ramsey Club in Niagara Falls.

THECOMMISSIONER: No, no.

MR. ROSE: Who was - what is your understanding as to whom the principal was of that club?

A. Well, as far as I was concerned, Ginsey was - would be a principal of that club.

Q. I understood you to mention at some time during the evidence that you mentioned the name of Borelli in connection with that club.

A. I may have, Mr. Rose. I think I was asked by Mr. Wilson, and I noticed in the newspaper it said that I said that Borelli was a principal. I don't think I said that. I know that Borelli was a principal, and was active in the Ramsey Club, and in the Frontier Club, but Ginsey was the, to coin a phrase, the moving spirit, as far as I was concerned.

Q. Yes, adopting Mr. Gebirtig's phraseology.

A. Yes.

Q. Now, in respect to this gentleman Riley, who was the vendor of a farm in the County of Grey in March of 1960, which was taken in the name of Hugh Locke, which the purchase price was $15,000, I believe that you stated that the farm had been appraised at

$30,000 to $35,000.

A. I believe --

Q. Do you remember stating that to Mr. Wilson?

A. I believe I explained to Mr. Wilson that Riley had told me that he valued it at that figure. That would be Riley's figure.

Q. I see. As I recall, that was no appraisal that you had made?

A. I don't believe so, no, Mr. Rose.

Q. Or anybody under your direction did that, appraised the farm?

A. I don't believe so.

Q. And this was Riley's own statement to you that the farm had been appraised at $30,000 to $35,000?

A. Yes. My recollection is that that was Riley's figure.

Q. Then, in December of 1960, it was sold for $8,000?

A. That is right, Mr. Rose.

Q. Now, dealing with the -- with the account that you had -- the accounts that you and McDermott had at Davidson and Company in respect to the purchase of stock in August of 1958, it would appear that the original 10,000 shares of Jacobus was purchased at $1.93 in August 15th, 1958, for a total price of $19,500, and in August 28th there is a credit to that account of $10,000. Now, was that your own

$10,000 that went in at that time, which would be about 50 per cent of the purchase price?

A. No. As I recall, that would be -- that would be the money that was put up by Monteith.

Q. Well, it would appear that on January 20th there went into your account from the Arthur Monteith account $9,614.27, and at the same time $10,000 went into the McDermott account. Some five or six months later there is a credit in there originally of $10,000, so that was margin in that account, margin requirement of $10,000.

THE COMMISSIONER: At times you use phraseology that results in me losing you.

THE WITNESS: I have lost you too, Mr. Rose.

MR. ROSE: All right, Mr. Commissioner, you would notice that on August 28th, 1956, to Davidson and Company, $10,000. That was a credit to the account, $10,000.

THE COMMISSIONER: Well, he paid it in.

MR. ROSE: Yes.

THE COMMISSIONER: He never says that that was money put up by Monteith.

MR. ROSE: Yes.

THE COMMISSIONER: All right. Now, what was your next question?

MR. ROSE: The account showed that the Monteith account, the money from the Monteith

account, was put up in January 30th, and the following year, that is in 1959, whereby $9,614.27 went into the Feeley account, and $10,000 went - $10,000- some odd, went into the McDermott account, $10,385.73. Now, that would take care of the $0,000 from the Monteith special account. The question I am asking the witness is as to the $10,000 that was paid 13 days after the stock was purchased in the first place.

THE WITNESS: Well, I am a little confused on the dates, but the way you mention it now, Mr.Rose, to the best of my knowledge it would appear that I did in fact put up the $10,000.

MR. ROSE: Q. Yes. Now, at the time ---

THE COMMISSIONER: You say in fact you did not?

A. No,Mr. Roach, the way Mr. Rose asked --

Q. That is what you say, you say you did not?

A. No, no.

MR. ROSE: He did.

THE WITNESS: The way it is explained now that it appears that I in fact put up this, Mr. Roach.

THE COMMISSIONER:Q.Well, it appears that way, but I am asking did you or did Monteith put it up?

A. No, if there was $10,000 in there,

then I would put it up.

THE COMMISSIONER: Mr. Rose, I am in a state of absolute confusion.

MR. ROSE: Well, then, let me perhaps ---

THE COMMISSIONER: Let me talk for a minute.

MR. ROSE: Surely.

THE COMMISSIONER: On August 15th, 1958, Feeley bought 10,000 shares of Jacobus at $1.93; 13 days later $10,000 was paid into Davidson and Company, and Mr. Feeley now says that that came from Monteith.

MR. ROSE: No, he says it came from him, sir. It came from he, Feeley, because the Monteith money does not come in until January 30th, of 1959.

THE COMMISSIONER: That is not the way he described it in the beginning of his evidence, because I paused to write it down. This was put up by Monteith, that is the money paid in on August 28th. Now, what do you say now?

A. Well, I ---

Q. Who put it up, the buying money on August 28th, $5,813, after you paid the stock salesman?

A. I have no records here with me, and if there is confusion about it, then it is the way that Mr. Wilson, and what he suggested, if there was any cash put up, then I would put

it up prior to the Monteith account being - a portion of the Monteith account being credited to my account.

THE COMMISSIONER: Well ---

A. I think I tried to explain to Mr. Wilson that then the Monteith account, whatever portion of that was allocated to my account, well ^ this I in turn would have put up whatever balance that showed in my account.

MR. ROSE: I wonder, Mr. Commissioner, whether this might not be the answer. This is stock that was then at $1.93.

THE COMMISSIONER: Yes.

MR. ROSE: There was - by Exchange rules the buyer must put up at least 50 per cent margin to the stock.

THE COMMISSIONER: Yes.

MR. ROSE: The total price on August 15th, 1958, would be $19,500,and then we find 13 days later a credit was paid into the account of $10,000.

THE COMMISSIONER: What I want to know is where that money came from.

MR. ROSE: That is what I am asking the witness.

THE COMMISSIONER: All right.

Q. Well, where did that money come from, the $10,000 that was paid into Davidson and Company 13 days after you bought the stock?

A. Well, to the best of my recollection

I would have put it in the account.

Q. To the best of your recollection, you did put it in the account?

A. Yes, sir. Anything that was put into the account, I would have -- I would have put into this account.

Q. I see.

MR. ROSE: Q. Now, then, the next entry as far as credit to that account is concerned, comes on January 30th, of 1959. Now, before I deal with that entry, I gather from what you told Mr. Wilson and Mr.MacKinnon that a dispute of one kind or another arose between yourself and Monteith in that interval?

A. Yes. I believe the -- the brokerage firm required more money, and at that time I was not in - this stock had not progressed as quickly as possible, and there was required some more money.

Q. Now, as you said to Mr. Wilson, the substance of your words is that you were told that you would not lose to the stock.

A. That is the way Monteith explained it to me.

Q. All right. Was that a guarantee against loss being made by Monteith?

A. I don't know that Monteith actually guaranteed in - in that word guarantee. It would be more along the line that he recommended that I purchase this stock, and that I couldn't

lose anything. That seems to me more in the way that he phrased it, rather than a guarantee, as the word would ---

Q. I gather Monteith - Monteith was rather bullish on this stock, is that right?

A. Yes, he was, Mr. Rose.

Q. Then, when you were called upon for more money, that is when the dispute arose between you and Monteith, as to why you should put up any more money?

A. That is right, Mr. Rose.

Q. Now, as a result, in January - on January 30th, 1959, Monteith, through the A.B. Monteith special account, put in $9,614.27, into your account?

A. I believe that is the figure.

Q. Which would in effect flatten your account out?

A. Yes, as I recall.

Q. And at the same time $10,035.73 went intothe McDermott account?

A. To the best of my knowledge.

Q. It would have the same effect on his account?

A. Yes, sir.

Q. Yes. Now, were legal proceedings contemplated at this time between you and McDermott on the one hand, and you and Monteith on the other?

A. Legal proceedings?

Q. Yes. Was any lawyer involved in trying to settle this matter? Was there any threat of legal proceedings?

A. Oh, no. I don't recall anything like that, Mr. Rose.

Q. I believe you told us that a certain number of claims were sold to Monteith, or to his principals?

A. I believe I said to - subsequently I turned over a block of claims to Lehigh Securities.

Q. And this 20,000 - what did you get paid for them?

A. This $20,000 was sort of flattened, this $20,000, in other words.

Q. I see, and this is how the $20,000 g came into that account, it was from the sale of those claims to Lehigh?

A. Yes, that would be right.

Q. Now, going back to 1952, and the Alpha Club. You told us that after Big Harry Taylor notified you and MaDermott and others that he had a charter, that seven of you formed a - an association or combination to gamble at the Alpha premises, or in that club?

A. Yes, that would be right.

Q. Now, during the nights that gaming wasgoing on, would all seven of those people be present on every night?

A. No, I wouldn't think so, Mr. Rose.

Sometimes yes, sometimes no.

Q. Would there be any nights that gaming was going on when only the four or three would be present?

A. I would think so, Mr. Rose, I can't --

Q. On a night of gaming where for instance only four of you were present, would those four each take an interest - take up a total interest in the game that night?

THE COMMISSIONER: What do you mean by that?

MR. ROSE: The total, 100 per cent interest.

THE WITNESS: To the best of my recollection, it would be divided, whichever - between ourselves, and they would all take a percentage of 100 per cent, whatever persons were present.

THE COMMISSIONER: If there were four persons, you would each get 25 per cent, is that what you are trying to say?

A. No, I don't say that, Mr. Roach. I couldn't say.

Q. Between the four of them, you would make up 100 per cent?

A. Yes, sir.

Q. All right.

MR. ROSE: That is all, thank you.

EXAMINED BY MR. WILSON:

Q. Only one matter I overlooked, Mr. Commissioner. On June 1st, 1960, the police made a search of your premises two days after Wright was arrested?

A. I am not sure of the date, but I believe it was around then, Mr. Wilson.

THE COMMISSIONER: Your apartment?

MR. WILSON: Q. And that was your apartment at the Benvenuto?

A. Yes, sir.

Q. Now, you kept a personal telephone list at that time in your apartment?

A. I don't know.

Q. Well, a directory of personal telephone numbers that you would be calling from time to time?

A. Yes, I believe I had one of them in my apartment, Mr. Wilson.

Q. Yes, and what was the reason that the 'W' leaf was missing from that personal telephone directory?

A. I don't - I don't recall. I recall either Inspector Graham, or one of the officers, going through it, and at the time of the search, and it seems to me that he asked me then what had happened to it, and I don't recall. I don't recall being able to explain it then, Mr. Wilson.

Q. No.

THE COMMISSIONER: Q. Well, was that sort of an alphabetical index?

MR. WILSON: It would be one of the alphabetical indexes, Mr. Commissioner.

THE WITNESS: It seems to me that, and I am only guessing now, Mr. Wilson, but that would not be the only page or card that was missing.

MR. WILSON: Q. On that occasion the police seized a piece of paper upon which was written the telephone number of R.J. Wright's brother's telephone. What is your explanation for that?

A. Well, at the time that the officers were in my apartment, I obtained permission, I am not certain whether it was Inspector Graham or a Mr. Genno or Mr.Geono, one of the Metro officers, to talk with Mr. David Humphrey on the telephone whilst they were there in my apartment, and subsequently Mr. Humphrey spoke to either Mr. Graham or Mr. Genno, and explained that he had been at my apartment the previous night, and that - I am not certain now whether it was his wife or his housekeeper had phoned my apartment and conveyed this message, and he in turn had written it down on this phone number that were was a message at his house to call this number, and he in turn had written it down,

and that was in his handwriting.

MR. WILSON: That is all, thank you, for the moment.

MR. MacKINNON: I wonder, in that connection, if I might just ask if I might have a look at that telephone book, or directay? I have never seen it. Maybe I could ask a question without looking at it.

MR. WILSON: We haven't got it.

THE WITNESS: I don't know whether I ever did get it back, Mr. MacKinnon.

MR. MacKINNON: I think the police have it, Mr. Wilson.

THE WITNESS: I would think so.

MR. WILSON: Well, if they have it, we will get it for you.

MR. MacKINNON: Yes.

---The witness withdrew.

(Page 10483 follows)

/1/FP

MR. WILSON: Now, I will call Joseph McDermott. Mr. Peeley can be permitted to remain in the hearing room now that ---

THE COMMISSIONER: No. Actually, we being through with him for the time being, he should be taken back to the place whence he came.

MR. WILSON: That is what I would think but the question was asked of me and I thought I would ask you to make the decision.

There was no other witness you want to put in before we call McDermott?

THE COMMISSIONER: You are making the selection, Mr. Wilson.

MR. WILSON: That is the selection I made, if it meets with your approval.

JOSEPH P. McDERMOTT, sworn

EXAMINED BY MR. WILSON:

Q. How old are you?

A. Forty-one.

Q. And where were you born, in what city?

A. Born in Toronto.

Q. What is your address in Toronto at the present time?

A. 1519 Rometown Drive, Port Credit.

Q. And what education did you have?

A. Junior fourth.

Q. Now, after you left school, what jobs did you have?

A. I worked on the racetrack.

Q. What racetrack?

A. Long Branch racetrack.

Q. In what capacity?

A. As walking horses early in the morning, exercising horses. After that I worked for the Anaconda American Brass in New Toronto.

Q. For how long?

A. Approximately a year, I would think, or two years.

Q. Then did you have any other jobs?

A. I had a taxi business that I operated in the Lake Shore Road for two or three years.

Q. Any other gainful employment?

A. Worked for a stockbroking company, Crang and Company, for some three or four years I would think.

Q. In what capacity?

A. I marked the boards.

Q. And did you have any other legitimate business?

A. I dabbled in real estate.

Q. With what firm?

A. For myself and Feeley.

THE COMMISSIONER: Just a moment. Are we getting all this in chronological order, and if so, up until what date?

A. I couldn't remember that, Mr. Roach.

Q. When did you stop working for Crang and Company?

A. It must have been over fifteen years ago.

Q. Over fifteen years ago?

A. Yes.

Q. That would bring it back to ---

MR. WILSON: 1947.

THE COMMISSIONER: 1947?

A. I would think so, yes, somewhere in there.

Q. If I understand you correctly, after leaving school, in between the period when you left school and the period when you stopped working for Crang, you were working in various jobs at various times, first working on the LongBranch racetrack, then at the Anaconda Brass, and then you left Anaconda Brass and went into this taxi business?

A. Yes, it was after I left Anaconda Brass.

Q. Did you discontinue the taxi business and go immediately to Crang and Company?

A. No,it would be -- I had the taxi business after Crang and Company.

MR. WILSON: Q. How old were you when you left school?

MR. ROSE: Excuse me, Mr. Commissioner. At this stage, just before my friend goes on, I would like to notify the Commission in the same vein that I did in respect to Mr. Feeley.

At this stage the witness objects to answering each and every question which is put to him on the ground that the answers may tend to incriminate him.

THE COMMISSIONER: He can take the objection.

MR. ROSE: I think perhaps we should do this the same as we did with Mr. Feeley, rather than waste the time of the Commission by him answering - probably the best thing - that he objects to answer the question on the ground that the answer may tend to incriminate him and make him liable to civil action at the instance of the Crown or any other person; if it could also in this case be agreed without the formality of the witness saying that in respect to every question, that insofar as the record is concerned, it be noted that it be understood that he is making that objection after being asked each and every question.

THE COMMISSIONER: Are you making that objection?

A. Yes, I will make it after every

question is put to me if you would like. Is it legal to make a blanket ---

Q. Yes, you can make a blanket objection.

A. I will make a blanket objection to every question, and ask that I be given the protection of The Evidence Act to every question and answer.

Q. All right. The taxi business was after you left Crang and Company?

A. Yes, it was.

Q. Have we covered all the lines of endeavour that you were in up to the time you left Crang and Company? You worked at the racetrack, worked at Anaconda. Did you go from Anaconda to Crang and Company?

A. I believe I did, yes.

Q. Then you left Crang andCompany about 1947?

A. Went into the taxi business.

Q. Went into the taxi business, all right. Now, I have got it in chronological order.

MR. WILSON: Q. How old were you when you left school?

A. I was thirteen, or twelve to thirteen. Twelve, I would think I was, going on thirteen.

Q. When did you turn to gambling as a means of ---

THE COMMISSIONER: Wait a minute. Why not carry on this thing the way you started? You left Crang's and went into the taxi business. How long were you in the taxi business?

A. I am just guessing now. I think it was two or three years.

Q. Alone?

A. Yes, I was alone.

Q. That would bring it that you left Crang's, you said, about 1947?

A. To the best of my knowledge.

Q. That would bring us up to about 1950. Now, in chronological order tell us your lines of endeavour from then on.

A. I made a little money in the taxi business and I saved my money and I bought some property with Feeley and Ryan and myself in New Toronto, the store on 132 - 6th Street, and properties after that. I dabbled in real estate, buying and selling real estate, a few properties that we made some capital gains on, along with gambling.

MR. WILSON: Q. When did you turn to gambling as a means of livelihood?

A. Around that time.

Q. Well, what does "around that time" mean?

A. I would say about twelve or thirteen years ago, roughly.

THE COMMISSIONER: Around the time that

you and Ryan and Feeley bought 132 - 6th Street?

A. Yes, that would be about the time, I would think.

MR. WILSON: Q. You had a short period of service in the Armed Forces?

A. Yes, I did. I joined active service.

Q. If my information is correct, you joined on January 14th,1941 and you were discharged as medically unfit on 19th July, 1941?

A. I think that would be right, around seven months I think.

Q. Now, I will read you your criminal record and you tell me whether ---

A. I would like to object to that. I can't see how that would possibly have anything to do with this Commission. Any criminal record that I have I will agree to it and have the Commissioner have it. I don't see how it could possibly - it is a punishment to put my record in the front pages of the paper. What possibly could that serve this Commission?

THE COMMISSIONER: You may be asked if it is a true record.

A. I agree to it all, whatever is on there, my lord.

Q. Show it to him.

A. I agree to all the charges that

are on there. I paid for them all, my lord.

Q. That record is correct?

A. I would think it is, yes.

Q. You would think it is?

A. Yes, it is.

Q. You admit it is correct?

A. Yes, it is correct.

THE COMMISSIONER: All right, better mark it as an exhibit. It has not been marked yet.

---EXHIBIT NO. 259: Criminal record of Joseph McDermott.

THE COMMISSIONER: Q. What year did you say you were born?

A. 1921.

Q. What was the date of the purchase of 132 - 6th Street?

MR. WILSON: March 10th, 1949, at least that is the date of the deed.

THE COMMISSIONER: I suppose the date of the deed would be the ---

A. I think that would be pretty right, pretty close to correct.

THE COMMISSIONER: All right.

MR. WILSON: You will notice that in Exhibit 259 there are 13 offences referred to, the first on September 13th, 1939 and the last on March 6th, 1962. I direct your attention particularly to the one dated January 2nd,

1941.

THE COMMISSIONER: I was wondering what the explanation of that is.

MR. WILSON: The explanation of that is that on January 14th, as I have indicated ---

THE COMMISSIONER: Of that year?

MR. WILSON: He joined the army, January 14th, 1941, so when he appeared in uniform to answer to that charge, he was granted a two-year suspended sentence.

THE COMMISSIONER: All right.

MR. MacKINNON: Mr. Commissioner, before my friend leaves this, has there been any ruling made on this request? I mean, as far as cross-examination.

THE COMMISSIONER: You can cross-examine on it.

MR. MacKINNON: On the record, fine.

MR. WILSON: Do you want it read at this stage?

THE COMMISSIONER: It is not necessary. I have it in front of me. I can see it.

THE WITNESS: Mr. Commissioner, is it proper ---

THE COMMISSIONER: Wait a minute. Are you giving evidence or do you want to make a statement?

A. I want to ask you, as a Crown witness brought here I am not giving evidence on my own defence.

Q. What about it?

A. I am asking that that not be used. Why should it be used? As a legal ruling, I would like a legal ruling on it: Is it admissible?

Q. It is admissible and it is admitted right now.

MR. WILSON: Q. Do you or have you known any of the senior legal personnel in the Department of the Attorney-General in the years 1947 to the present date?

A. I know no one there, wouldn't know them if I saw them, any of them.

Q. Had you ever communicated with any of the senior legal personnel in the Attorney-General's Department in that period of time?

A. Would you define the people to whom you are referring? I may have talked to someone that I didn't know was in the

c/2 Attorney-General's Department.

Q. Well, in that period I think we could say that they were Mr. Magone ---

A. I don't know him, never spoke to him.

Q. Mr. Common?

A. Never spoke to him, don't know him.

Q. Mr. Bowman?

A. Don't know him, never spoke to him.

Q. Now, may I have Exhibit 121, I think it is. Had you ever paid any money to Mr. Common directly or indirectly in that period for any improper purpose?

A. No to him or anyone else.

Q. Did you ever pay any money to him at any time?

A. At no time.

Q. For any purpose?

A. For no purpose.

Q. Or any of the other gentlemen whose names I have mentioned?

A. To any policemen, or politicians, on my unequivocal oath I swear to that.

Q. And have you ever taken any steps, either directly or indirectly, to influence any of those senior legal personnel whose names I have mentioned, to get them to terminate investigations into criminal activity or suspected criminal activity?

A. Only by the due process of law.

Q. And what do you mean by the "due process of law"?

A. By having the solicitor for a club or a solicitor that was defending me in an action, write letters of protest that we thought were justified.

Q. And have you at any time ever approached these gentlemen directly or indirectly in an effort to have them suppress

any evidence involved in any investigation or prosecution?

A. In no way, shape or form.

Q. Now, in connection with Mr. Bowman, you made use from time to time of the Crescent 8-2538 number, the Costello number, for your purposes?

A. It was a telephone Mr. Ginsey was using, and I used to place calls on that telephone, along with many others.

Q. I see in Exhibit 121, which is a summary of the calls from that number, charged to that number, under date of June 7th, 1958, there was a call to Willowdale, Baldwin 1-4793, which we are told it W.C. Bowman's number. Did you make that call?

A. I never made that call, know nothing about the call.

Q. There is also referred to in Exhibit 121 a further call to Mr. Bowman's number by direct distance dialing on June 8th, 1960. Did you make that call?

A. No, I did not make that call. There was conversation at a later date within the last year or so, or the last couple of years, since this thing started, that there had been calls there to politicians, and I believe Ginsey at one time said "Yes, I have made -- ", he had made some calls. I reported it, I may have mentioned it to Mr. Humphrey. I don't

recall exactly how it came about. But the call to Mr.Bowman I never made the call.

Q. We have had Mr. Humphrey's evidence here, and at page 3675 he refers to the calls, he is referred to these calls to Mr.Bowman's number, and at line 15 he is asked:

"Did either McDermott or
"Pooley ever discuss with you
"any telephone calls that might
"have been made by either of
"them to that Baldwin number?
"A. I am just trying to think
"whether that might be privileged,
"but I do not see how it would be.
"It would not be in connection
"with the court case; it would be
"just general conversation.
"McDermott did.
"Q. McDermott did?
"A. Yes.
"Q. And what did he have to say
"about any calls that might have
"been made to that number?
"A. Well, it started off with
"the idea that he and others who
"engaged in a gambling business
"disliked Mr. Bowman, being of the
"view that he would use any means
"to close the clubs, fair or foul.
"There was knowledge that the

"phone number on which these
"calls were charged wasbeing
"monitored by the police.
"THE COMMISSIONER: I beg your
"pardon?
"A. It was known that this
"phone number to which these calls
"were charged was being monitored
"by the police in the sense that
"they were picking up the tickets
"and something of that sort and
"checking all phone calls that were
"made of a long-distance nature.
"MR. WILSON: It was known by whom?
"A. It was known by McDermott.
"This was part of the story, how
"they felt about Bowman and that
"the police were on to his phone
"number."

Now, first of all, did you have any knowledge of any monitoring by the police of this Costello number?

A. There was also conversation - not of the Costello number, but of all numbers that a bookmaker used, it is common practice that the police are allowed to wire-tap and that there is wire-tapping, and they are using it in everyone's homes and offices and so on. It is a constant rumour, but I have no grounds to substantiate it. I do not

believe it would be allowed.

Q. Then at page 3677, line 13, Mr. Humphrey was asked:

"Q. Then what did he tell you
"about the calls, if anything,
"to this Baldwin number?
"A. Well, he said how they
"felt about Bowman and the fact
"that they knew that the police
"would detect the identity of the
"persons who had phoned or would
"get the telephone numbers that
"would charge this number, that
"telephone calls had been made to
"Mr. Bowman's home number. I
"forget whether I said something
"about, 'That sounds like a
"pretty dirty trick', and he said,
"'Ah, that will give the police
"something to think about,
"that little so-and-so Bowman',
"and I said, 'That's awkward', or
"something, and he said, 'Oh, good
"company', and I said, 'Who else
"would phone?' - 'Oh, everybody -
"Frost, Kelso Roberts, and all
"down the line'.
" He seemed to think it was
"very amusing, and he said that if
"the calls had been under three

"minutes and just a flat rate,
"it might have appeared that
"somebody had just phoned a wrong
"number, or something on those
"lines, but that there was a pro-
"longed conversation held with
"regard to a lost dog which was
"calculated to protract the telephone
"call to several minutes, and he
"seemed to think that that was
"quite funny and recounted his
"version as to how the conversation
"went with regard to the lost dog."

Now, having heard me read the testimony given by Mr. Humphrey about the telephone calls to Mr. Bowman's number, what have you got to say about it?

A. What I have got to say about it ---

THE COMMISSIONER: Wait, stand back from the microphone.

A. I don't know Mr. Bowman. There was conversation that there were calls placed on that telephone to politicians. Mr. Bowman was not mentioned specifically. The discussion about the number I don't recall that exactly. There was conversation that there were phone calls on there to politicians.

As far as Mr.Bowman's, I don't know Mr. Bowman. I have never had any trouble with Mr.Bowman. He has never been in any of

our cases, he has never taken on any of them that I recall.

If Mr. Humphrey thought that I had said that, then he must have been talking to Ginsey or someone else, he must be confused, because he never heard that from me.

MR. WILSON: Q. You are swearing that you did not make the statements that he has repeated here?

A. We discussed phone calls but not the statement in its entirety.

Q. And you deny having told him about the story of the dog and the calls to Mr. Bowman's number?

A. I deny saying any specific Mr. Bowman. I believe I said that I had heard from Ginsey that there were lots of calls on there to politicians, but as far as setting up Mr. Bowman any different from anyone else, I don't recall that at all.

Q. Having denied that you said this to Humphrey, will you tell us whether or not Ginsey ever told you whether or not he called Mr. Bowman?

A. No,he did not, but he said there had been calls made to politicians on that telephone, and if they were checking it there would be lots of calls for them to investigate.

Q. Did you make any calls yourself to politicians on that number?

A. I may have called Mr.Maloney from that number, on that number.

Q. That is James Maloney?

A. Yes.

Q. Were there any other politicians that you called on that number?

A. I would only -- I wouldn't think so, unless you could ---

Q. What about Jolley, for instance?

A. Mr. Jolley?

Q. Wasn't he an M.P.?

A. I may have called Mr. Jolley on one occasion. I am not sure if I had or not. I would only be guessing. That is a long time ago, and any calls that I would be making, through habit they would be placed on that number.

THE COMMISSIONER: What do you mean "through habit"?

A. It was a common practice that any gamblers would transfer calls onto a telephone, and the reason for that, if you didn't do that, if you were phoning a relative - I had an occasion to phone a man in Ottawa over some mining claims. I called him on three or four occasions, and the next time I talked to him he said, "Don't call me any more. They have raided my home and my office." And on account of this, it was a common practice for all gamblers that you

would not have any calls on your telephone because they would get a warrant and search your place. If there is a call there to anyone's house - to Mr. Roach - they may come up with a search warrant and break into your home, which they did on so many places without investigation. It is common practice.

They broke into the Chief of the Ontario Provincial Police, Commissioner Clark's home, they broke into it here just two months ago, knocked the door down. It is a common practice.

Q. Who is the politician who had been complaining to you about phone calls he had had?

A. It was not a politician, it was a man who had mining claims.

THE COMMISSIONER: In Quebec some place he said.

A. No, in Ottawa, a printer. They went into his printing shop, not only his home, and the only transaction I ever had with him was negotiation on mining properties.

Q. Well, let us get back to this. You say Ginsey told you that there were calls from this particular number to politicians, calls charged to that number made to politicians?

A. Yes.

Q. Now, excuse me. By him?

A. He didn't say.

Q. Who knew about the arrangement to

have calls charged to that number?

A. The only one that - Ginsey was the only one I knew. I didn't know whose number that was.

Q. Well, what did Ginsey tell you?

A. He said he had a number that he could use in the Cresent Exchange if I was interested.

Q. Yes?

A. And I was interested to have a number to use. At one time we used Mr. Gogek's number, and it was often handy to have a number, and I would do the same thing for him if I had a telephone in the Empire Exchange, I would give him the same courtesies.

Q. I see, all right. Ginsey made all the arrangements, did he, for the use of this phone?

A. Yes, he did.

Q. The first you knew about it was when he told you?

A. Yes, when he would tell me that he had a number that could be used.

Q. That is the first knowledge you had about it was when he told you?

A. Yes.

Q. You didn't know it before?

A. That there was a telephone available?

Q. You didn't know that he had made

these arrangements with respect to this particular phone, until he told you about it?

A. That would be right.

Q. No question about that?

A. I wouldn't think so, no.

Q. Then when did he tell you that there were phone calls to politicians that had been charged to that number?

A. Some time - I would only be guessing, I could not pin that down. It never registered or did not make any impression on me, because I did not think they would ever find the number. I would only be guessing it when he told me that.

THE COMMISSIONER: Ten minute recess.

---Short recess.

(Page 10505 follows)

/ADO'M/1

---Upon resuming at 12.10 p.m.

MR. WILSON: Q. We were discussing Exhibit 121 at the adjournment. Could we have that exhibit? Possibly you would give it to the witness. (Produced)

Now, the calls on this list, I take it, were calls that were, for some reason or other, Ginsey, Peeley or yourself didn't want to put on your own telephone or put through your own telephone?

A. Is that a question?

Q. That is a question, yes.

A. No, I would disagree. There might have been twenty people using this telephone. There is three you know of. There might be another seventeen.

Q. What was the particular type of call that you had people or allowed people to make use of this telephone number and charge their calls?

A. I couldn't answer that. It was Mr. Ginsey who made the arrangements. Whoever he allowed to use that telephone. It would only be speculation on my part.

Q. You were in the Crescent exchange in May of 1956 through to July or September of 1958?

A. I believe I originally had an Atwater number. I can't swear to that, but I

believe it. Either Atwater or Crescent.

Q. In 1958 yours was Crescent, wasn't it?

A. Yes, I would think it was.

Q. Did Ginsey allow you to make use of this Costello number for your purposes?

A. He didn't explain to me whose telephone it was at the time. Yes, he told me he had a Crescent number he wouldn't be using, and if I wanted to use it, to go ahead and use it and keep account of the charges and straighten up with him at a later time, monthly.

THE COMMISSIONER: Q. Where was Ginsey at the time he was ---

A. At what time?

Q. In 1958?

A. He would be back and forth from Niagara Falls to Toronto. He commuted practically every day, and around to the Jordan Club. Anywhere I would see him, I would usually run into him at the Jordan Club.

Q. Where was his home?

A. His home was in Toronto, here.

Q. What would he be doing over in the Niagara Falls area?

A. I would think he would be gambling. He made a profession of gambling all his life.

MR. WILSON: Q. Now, we have had the evidence of a telephone -- Bell Telephone

operator -- supervisor, I suppose it was, a Mrs. Davidson, and she has produced a document which covers the use of this Crescent 8-2538 and the charging of the call to that number to your telephone, and that is Exhibit 150. And the notation on that, is that these long distance calls -- this is the gist of it -- were made to protect himself. She gave it in evidence you told her that the calls were made to that number rather than your own number, in order to protect yourself from the Provincial Police, as you were a gambler?

A. I don't ever remember saying that to the woman.

Q. Do you swear you didn't say that to Mrs. Davidson?

A. I don't know Mrs. Davidson.

Q. I know you don't. Do you swear you never made such a statement to anybody ---

A. Could I see the statement you are referring to?

Q. I will read it.

THE COMMISSIONER: Her evidence is under oath before me.

MR. WILSON: Show him Exhibit 150.

THE REGISTAR: (Produced)

THE WITNESS: This is a Clifford number, Clifford 9-2721.

MR. WILSON: Q. Well, you see a number of

other numbers on there. You will, if you look closely.

A. Yes, Crescent 8-3783, and two other Crescent numbers. Does this woman tell you she seen me in person? Can you tell me that from her evidence? I don't ever remember seeing the woman.

Q. In her evidence at page 4866, Mrs. Davidson says she called Mr. McDermott about the use of this number and confirmed that he had spoken to people at the distant places and asked him -- and asked him: "How he had come about that, the calls had been charged to another lady's telephone number. Now, -- he, then, told me he had made an arrangement with her, for business reasons, to charge some long distance calls to her account.

"Q. At what number did you reach "Joseph McDermott? Have you got that?

"A. Yes, sir.

"Q. Have you got the original calls?

"A. Yes.

"Q. These are original telephone "cards you have in your hands, or "photostats?

"A. These or photostats. Mr. "McDermott's number was Crescent 8-3783."

Was that your number?

A. Possibly so, if it was listed to

me it was, at that time. It may have been.

THE COMMISSIONER: Right, what?

MR. WILSON: 8-3783.

Q. And then she deals with the particulars on that card, Exhibit 150.

A. This is on the telephone?

THE COMMISSIONER: Let him finish.

THE WITNESS: I am sorry.

MR. WILSON: Q. And dealing with the name J.F. McDermott, and the address, and shows in this investigation he was a partner in the Lakeside Cigar Store. Is that a fact?

A. I told you I don't remember talking to this woman.

Q. Is it a fact that you were a partner in the Lakeside Cigar Store?

A. That I owned the building?

Q. Never mind. Is it a fact you were a partner in the Lakeside Cigar Store? Did you have any interest in the cigar store?

A. I had an interest in the building.

Q. You had an interest in the building?

A. I was an owner.

Q. Owner of the building. Were you a partner in the cigar store?

A. Partner in the cigar store?

THE COMMISSIONER: Don't repeat the

question. Just answer.

THE WITNESS: Yes, I was a partner in the cigar store.

MR. WILSON: Q. Yes. And then at page 4868, Mrs. Davidson said in that conversation she had, line 9:

"I said that Mr. McDermott had made
"arrangements with Crescent 8-2538
"to give their telephone number on
"long distance calls, instead of
"his own, to protect himself from
"the Ontario Provincial Police
"because he is a gambler."

And then at line 18:

"Q. Is that information you got
"from him at that time?
"A. Yes, sir, that is what he
"told me."

Now, are you swearing you didn't give this information?

A. To the best of my knowledge I didn't give that woman that information on any telephone and I don't know the woman.

Q. I appreciate all that. Do you suggest that Mrs. Davidson, an employee of the Bell Telephone, dreamed up all this information?

A. Does it sound ---

Q. Listen to my question. On this card, Exhibit 150, a copy of which you have

there, the originnl ---

A. Does it sound consistent to you, I would tell her I was a gambler?

THE COMMISSIONER: Please don't ask questions. Just answer.

A. I have answered the question three times.

MR. WILSON: Q. You are swearing on oath you didn't make the statement as a result of which Mrs. Davidson made the notations on Exhibit 150?

A. I am swearing on oath I don't ever recall doing it, to the best of my ability.

Q. Do you swear you didn't do it?

A. To the best of my ability, I am swearing that I don't recall doing it.

Q. That is as far as you go?

A. And I am not going to guess here. I don't have to guess. I am not guessing at fourteen years. You are going to ask me to guess different things I don't know. I am not going to do it.

Q. This is rather different than fourteen years, as it is in 1958. I don't know where you get the fourteen years except in your own mind?

A. The penalty for perjury, I understand, is fourteen years, and I am not going to guess and I think it is unfair of

the Court.

Q. That is where you got the fourteen years?

A. To ask me to guess at things.

Q. I thought you were talking about a time lapse. Do you swear you had nothing to do with setting up this arrangement with the Bell Telpphone Company?

A. What arrangement are you referring to?

Q. The arrangement that is covered by these calls being charged to the Costello number?

A. The arrangement that I made was with Ginsey. He asked me if I could use the number in Crescent and I told him, "Yes". I accepted his courtesy and paid Ginsey for any calls I made on there.

Q. Just look at Exhibit 121 and just tell me which of the calls shown on Exhibit 121 that you made yourself?

A. That would be very hard to do. This is in 1955.

Q. Oh, is it?

A. 1958.

Q. 1958?

A. That is four years ago.

Q. Oh, well ---

A. There is calls on here I could have made.

Q. All right. Take the first page. Which of those calls did you make? Did you make a call to Stringer in Peterborough, the third line there?

A. I don't know Stringer. I never made a call to that man in my life.

Q. I see further down that first page there is a call to R.J. Wright. Did you ever make a call to R.J.Wright?

A. I have,but I don't believe I made a call to R.J. Wright in 1958. I am thinking after he started his investigation and phoned me and solicited my business. Solicited me to talk to him.

Q. You am knew R.J. Wright in 1958?

A. I knew he was an O.P.P. officer on the Anti-Gambling Squad.

Q. Who would be calling him from the Crescent number if it wasn't you?

A. I couldn't possibly guess. I know I swore under oath I never called him on this in 1958.

Q. What about Borelli?

A. I know Borelli and I may have called Borelli.

Q. Yes, you may have called Borelli. Why would you be calling Borelli at Niagara Falls at that time?

A. I have known Borelli for a number of years.

Q. You have told us that. What would you be calling him about?

A. Are you serious? You want me to answer that?

Q. Exactly.

A. How could I possibly know what I wantdd to call him about on a number of calls four years ago? It might have been a number of things.

THE COMMISSIONER: Q. Did you and Borelli have anything in common?

A. Nothing in common. What you call -- what do you refer to in common?

Q. Anything at all in common?

A. Nothing in common that I can put my finger on, outside of we both gambled. I gambled with him and he has gambled with me.

MR. WILSON: Q. Now, turning to the second page of Exhibit 121, we see numerous calls to the Fort Erie club. In 1958, that would be the Frontier Club. Did you call that club on occasion?

A. I might have called Ginsey there. I probably did call Ginsey there. I probably called Mr. Borelli there.

Q. What would you be calling them about at that time?

A. The same as I said before, I could have been calling them on a number of

things, possibly a bet on a hockey game or a bet on a horse. It would be mere speculation on my part to go back four years and say what I called a man for. This is a man I called over a number of years on many occasions.

Q. Now, on the second page there is a call to Niagara Falls to Jolley. Would that be one of your calls?

A. Possibly I called Mr. Jolley on one occasion.

Q. For what?

A. The date ---

Q. For what purpose?

A. I am not sure now whether it was about a letter that Mr. Maloney was having done for me, to thank him for the letter, or whether it was -- I would be only speculating on what that call was for.

Q. I see on this list there are a couple of calls to Jim Maloney. Would those be your calls?

A. They may very well be. I don't swear thatthey are or they are not.

Q. How long have you known the late James Maloney?

A. I knew him for -- I knew him before he was Minister of Mines, I believe.

Q. Under what circumstances did you meet him?

A. I believe I was introduced to him

at a hockey game. I may have been with Peeley at the time. I am not sure just when it was, now.

Q. About what year would that be?

A. It might be five, six, seven, eight years ago.

Q. Well, that takes us back to about '55?

A. '55 or '56.

Q. And after that time, what dealings did you have with the late James Maloney?

A. I can't say that I had any dealings with him outside of in his capacity as Minister of Mines I came in contact with him, that he had staked some number of claims and discussed them with him.

Q. Did he ever have an interest in any business enterprise in which you were engaged?

A. None whatever.

Q. Now, I see that amongst your other talents, is that of a counsel on March 22nd, 1962, when you addressed a jury at your trial. I have in my hand a transcript of that address to the jury. You recall that event?

A. Quite possibly, yes, I do recall that event.

Q. Is there any doubt?

A. Yes, that is right, I did address the jury.

Q. That is only in 1962?

A. Yes.

Q. You can remember that far back. Now, on page 2 you told the jury:

"I have been connected with clubs for
"ten years. I am affiliated with the
"club in Fort Erie and I am affiliated
"with other clubs. I am a gambler.
"I am not going to deceive you. I
"have paid my income tax as a
"gambler."

Now, you have made that statement on that occasion?

A. Exactly correct.

Q. Exactly correct?

A. The word "affiliated", in my mind at that time, was a member, an associate of the club. A member of the club. One who went there.

Q. And first of all in that statement you say, "I have been connected with clubs for ten years"?

A. Exactly.

Q. Now, what clubs have you been connected with for ten years? Just tell us the clubs.

A. The Cooksville club.

Q. That is the Centre Road Club?

A. Yes.

Q. Starting in what year?

THE COMMISSIONER: Let him enumerate them first.

MR. WILSON: Q. All right, enumerate them first.

A. The Finnish Club in New Toronto, 132 Sixth Street. I was a member of the Y.M.C.A.

Q. Is that one of the clubs you had in mind when you spoke to the jury?

A. I may not have had that club in mind when I spoke to the jury.

D/3

Q. Well, the ones you had in mind are the ones I would like you to list.

A. I was a member of the Jordan Club. I can't think of any right now. If I think of any more, I will be glad to pass them on to you.

Q. And why did you single out the club in Port Erie and tell the jury that you were affiliated with that club?

A. Because I believe at the trial there was evidence of phone calls to the Port Erie club, and that would be my reason.

Q. Well, are those all the clubs you can remember, just at the moment, that you had in mind?

A. It is hard to remember under these conditions. If there is anything else you would care to put to me along that line?

Q. Undoubtedly I will be putting a few things to you along that line, as we go along.

A. I will do the best I can.

Q. Now, taking first the clubs in the Toronto area that you were concerned with. We will deal first with the Riverdale Social Club, which was originally on Eglinton, wasn't it, and then in Downsview near Sheppard?

A. Going back in my mind, I don't think I was attached with it when it was on Eglinton. I think when I went in partners -- it is back in my mind, this is ten years ago, but I think it was up in North Toronto at the time that I first became affiliated with that organization. I have forgotten that.

Q. That would be at Downsview?

A. Yes.

Q. I don't propose to go over the evidence we have had from Mr. Feeley about the connection of the two of you in this club, but I am interested in knowing about this money that you and Feeley got off the top. Now, will you just tell us in -- what the reason for this payment was, and how much was paid and what you did for it?

(Page 10520 follows)

/RJH/1

A. Well, it originated that we were asked if we wanted to take a percentage in this club. I believe they were having some tough luck, and there was a shortage of money at that time, and that we asked what the expenses were of the club, like you would in any other business, that you would like to know what the expenditure was, and if it was too high. I think the expenditure was that every one that went there got a pay of $15 a night, and the only condition that we set that we would be interested in taking a piece if we got a pay, but that we could not be there every night, but I don't believe we started getting pay in the first month, and we ultimately issued money to make the losses up.

Secondly, a man who did have a piece equivalent to ours would be getting fifteen a night, or four or five hundred dollars a month, he would be able to have the four or five hundred in his pocket to put up, and we would have to pick up money for ourselves, so it would not have been fair business; to get a pay would be the proper thing to do, we thought, and that was the only conditions we made, which would have been with Eddie Blair, and he told us he could get us that one pay -- that one pay is what we settled on, and then you will find

that that is how that came about. That is your question?

MR. WILSON: Well, that is your answer?

A. That is my answer, yes.

THE COMMISSIONER: In addition to the $15 per night, weren't you to get a percentage?

A. We were to get a percentage of the winner of the loss, yes.

MR. WILSON: At this time were you also involved in the operation of the Centre Road Club at Cooksville?

A. Yes, I would think we were at that time, yes.

Q. I take it you had to devote your time between the two clubs?

A. Exactly.

Q. And what did you give in return for this $15 a night that Feeley and yourself got, apart from the use of your name, lending your names as gamblers to the operation ----

THE COMMISSIONER: They each got?

MR. WILSON: Did you each get fifteen a night?

A. No, there was only the one pay of $15 a night, which would be $7.50 each.

Q. Did you pay any part of that out to Gebirtig?

A. None whatever.

Q. Or to your knowledge did Gebirtig get so much a month?

A. I would not know anything about that.

Q. Now, what returns did you give to the partnership for this $15 a night?

A. I put my money up.

Q. In other words, you put up money for the bank sometimes?

A. Exactly, yes.

THE COMMISSIONER: Whether you were there or not?

A. Whether we were there or not, yes, Mr. Blair looked after the money.

THE COMMISSIONER: Did you give him so many hundred dollars?

A. Oh, I think that they lost two or three times, and we would give them a thousand, or two thousand, and he lost the first month or two, and that is when we started to say, well, how can you keep losing. They were looking for partners. They solicited all kinds of people, I understand, to get partners to keep the operation going. It was very poorly managed. There was no supervision.

Q. That is hardly answering my question.

A. What was the question?

Q. My question was, did you give Blair so many hundred dollars from time to time?

A. Yes.

Q. Which he would have available for

the bank?

A. Yes.

MR. WILSON: Clark was there as your nominee, wasn't he, to look after your interests?

A. No, Clark came to me on two or three occasions -- I am vague about this, I am trying to recall this since I read it in the newspapers, that Blair had asked me to get him, that they lost money, that they needed more money, and I think I gave Clark, on a couple of occasions, money back and forth to take to the game. He lived out my way at the time.

Q. How did he get into that operation? What percentage did he get?

A. I have no idea.

Q. He had worked for you and Feeley at Centre Road?

A. No, he was a partner.

Q. A partner?

A. Yes,he was a partner.

Q. But you have no idea how he got into the Riverdale Club?

A. I know that we lost at the time -- he was a partnerthere, we lost our money and every one was asking to issue more money, and he couldn't issue any more money, and he had gone as far as he wanted to go, and he dropped out.

Q. Now, I think you said that they

did not have a very efficient operation out at Riverdale?

A. I would not think so, no.

Q. Did you complain to Simone -- Dominic Simone -- about the type of operation that was being operated?

A. I think I would complain to Blair. I don't ever remember any conversation with Simone at all. He was a sick man at the time and did not have too much to do with him.

Q. And finally there was a raid, and the door was opened, and the police walked in, and as a result of a raid Simone was convicted, isn't that right?

A. I don't believe we were partners at that time. I think we had quit prior to that.

Q. Now, after Simone went to jail, didn't he make a demand on you for the return of some six or seven thousand dollars which he claimed he had paid you for protection, which he did not get?

A. No. Like I said, the man was sick at the time, and when he came out he thought the world owed him a living and he did ask for a loan -- I will put it in the way of a loan, it wasn't a demand, and I think on two or three occasions we gave him money because he did not have any money, he was completely broke. Any money he made

gambling he just squandered. He was broke and needed money, but as far as for protection money, or getting any money back, that is a misinterpretation. That is not true at all.

Q. And you have paid him, since he came out of jail, some hundreds of dollars?

A. No, I lent him, which we -- we have never received back.

Q. Did you ever ask him to repay you?

A. I don't think I asked him because I don't think he at any time in his life, he ever had any money. He was a gambler himself and anybody in the gambling business, any gambling business, has to be broke.

Q. Is he still at the present time asking or demanding for money which he claims you owe him?

A. He said that he would come to this Commission if he did not get this money, and he was wanting it to leave the country, and he phoned five or six people that if he did not get the money he was going to come here and put up an exhibition. And, I told him to put his exhibition on, because I was not going to give him five cents, but I would give him a car fare to get here if he wanted to.

Q. When did you speak to him about that?

A. I think he called Mr. Rose's office one afternoon when I was there.

Q. And he spoke to you?

A. Yes, he did.

Q. And just tell us what he asked you to do, or what the conversation was?

A. He wanted six or seven thousand dollars, and he thought that the phone would be tapped, and he said, "You owe it", and I told him, "You know we don't owe you any money, this is a lot of baloney and what are you doing", and he said I had better get this six or seven thousand dollars or else, "I am going up to the Commission", and I said, "You go up to the Commission".

K/2

Q. And this was a few weeks ago?

A. I would say it is more than that, maybe a month ago, I did not make a note of it at the time.

Q. And there around about June, I think around June the 22nd, you had a talk with Clark out near the old small arms on a parking lot?

A. That is correct.

Q. I suppose you got everything straightened out with Clark about what his interest was in the Riverdale Club?

A. I never straightened anything out with Clark. I just asked if he had been down at the Royal Commission. We heard

he had been down on a day that the Commission was adjourned, and we asked him -- I thought it was just gossip -- and he confirmed that he had been down and he had been interrogated, or questioned under oath. Anyway, I did not think that that was right, and I did not think that it had happened, but if it had happened I did not think it was right, but the Supreme Court thought it was right and I was wrong.

Q. Well, sometimes us lawyers, even Philadelphia type, are wrong, you know. What did he tell you on that occasion, that he had informed the Commission about Feeley and yourself?

A. He said he was very confused, very confused. He did not remember too much at all. They questioned him on Simone, that Simone had told them, or the Commission had called him, that he had burned the club in Cooksville. I asked him, "Well, did you burn the club in Cooksville?" He said, no, he did not burn that club.

Q. What did he tell you about statements he had made about protection, that you were affording the club?

A. Protection?

Q. Or they paid for?

A. He said something -- "I told him about you fellows getting that $500." I said,

"Did you question to him what was the pay, or what it was?" He said, "No." He said, "I thought it was coming off the top", and I said, "What do you mean, Ralph?" He told me, "Well, I don't know what it was for. Simone had told me that it was protection fof the club", and I said, "You know that is not true, Ralph", and he said, "Well, I don't know, I was confused up there, and I don't know what that money was for", and that is how that was left.

Q. That was ---

A. That was the gist of it.

Q. That was the gist of it?

A. Yes.

Q. Now, on the operation at the Alpha Club, when did that start ---

THE COMMISSIONER: Just a moment. Who arranged -- first of all, where was this meeting? Mr. Wilson said in the small arms ---

A. It was across from the small arms plant. There is a restaurant adjacent to the small arms plant.

Q. Yes?

A. And we went there. I was early. We all lived in different districts, and I called Feeley, or he called me -- I am just guessing at this now -- and I may have called Jack Lafrade, or he may have called me. I gave him Clark's number, and

called him and asked him, "Ralph, I would like to discuss this with you. Were you down there?" And he said, "Yes", and I said, "When can I see you?" He said, "We can get together to-night", and he said, "Where is convenient for you?" So we just said we will go across from the Small Arms Restaurant.

Q. Who said that?

A. I may have said it, or Clark may have said it.

Q. You don't recall?

A. No, I may have said it.

Q. Yes?

A. And it was agreed upon to meet there, and I proceeded down in my car, and I waited -- I went in and had a cup of coffee in the restaurant, and then after a period of time waiting, Feeley came along, and I said, "Clark isn't here", and we stayed in the car talking, and then Lafrade came along, and we got into his car, and Ralph Clark came along later, and the four of us sat in his car in front of the restaurant, just adjacent to the restaurant.

Q. What time of the day was it?

A. In the evening, it was just twilight.

THE COMMISSIONER: All right. Just so that I understand it, you said you would like to talk with them?

A. I would think so, yes. I may have -- I could not swear I did want to talk ---

Q. You have just sworn to it. You have just sworn to it now that you said to him, "I would like to talk to you about it."

A. Yes.

Q. That is right, isn't it?

A. I would think so, to the best of my ability -- perhaps he said, "I want to talk to you".

Q. That isnot what you said before. Mr. Reporter, will you please read back that part of the witness's evidence from a moment ago?

THE REPORTER: Yes.

"We all lived in different districts,
"and I called Peeley, or he called
"me -- I am just guessing at this now --
"and I may have called Jack Lafrade,
"or he may have called me. I gave
"him Clark's number, and called him
"and asked him, 'Ralph, I would like
"to discuss this with you. Were you
"down there?' And he said, 'Yes'."

THE COMMISSIONER: Are you swearing to that now? You did a moment ago. You called him up and said, "Ralph, I would like to talk this over with you, and discuss it with you", isn't that right?

A. I want to be truthful about this.

I think it was, yes.

Q. Surely you want to be truthful. You had better be.

Now, Mr. Wilson?

MR. WILSON: All right, when did you start in operating at the Alpha Club at Cooksville, that is, with the Alpha charter, in '48?

A. I would think so, yes, I would only be guessing at that.

Q. Well, now, you in 1948 -- in 1948 you would be about twenty-seven years old, and did you have enough stake or money to get into this operation at that time?

A. I must have.

Q. Or did somebody else have a piece of you?

A. I must have.

Q. Were you fronting for somebody else?

A. No, not at all.

Q. At any time from 1948, has anybody had a piece of you in your operations?

A. Would you define to me what you call a "piece"? It may be different from what I have in mind.

THE COMMISSIONER: What have you got in mind?

MR. WILSON: Yes, you tell us.

(Page 10533 follows)

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A. A piece, if someone had a piece of me, it would be that I had a piece of the game in Cooksville. No one had any interest with me in Cooksville. I put my own money up. It was my own money. The percentage I got was for myself and no one else.

Q. Well, how much money did you have when you first started into the operation at Cooksville?

A. That is twelve years ago, I don't have too much --

Q. Well?

A. I would only be guessing now.

Q. You can make a pretty calculated guess?

A. I worked at Anaconda. I had a taxi business, --

Q. You have told us all about that.

A. And I was thrifty with my money, and I only speculated what I had.

Q. Well, will you answer the question. How much money did you have when you went there?

A. I don't know that.

THE COMMISSIONER: Q. Well, would it be under $10,000?

A. I could not swear to that.

Q. Would it be over $10,000?

A. It may very well be, I cannot swear to that.

Q. Did you own your own home at that

time?

A. No, I didn't.

Q. Did you have a bank account at that time?

A. I very seldom have bank accounts any time in my life.

Q. Did you have a bank account at that time?

A. I may have.

Q. Where was it?

A. I don't know. I would only be guessing.

Q. You make an educated guess and we will look it up to see if you are right.

A. I don't recall. I am telling you quite seriously that I don't recall. It is twelve years ago, I don't think I had a bank account.

Q. All right.

MR. WILSON: Q. Did you borrow any money at any time after you started with the Alpha, for the purpose of your operations out there?

A. I don't recall any borrowing of any money.

Q. Well, I take it then that you had made enough out of your betting establishments, that you started about 1945, to provide the capital for the Alpha?

A. What did you say?

Q. You had some betting operations

going from about 1945 on, didn't you?

A. I may have been doing a little booking on my own in those years. I am trying to recall where --

Q. You know where I mean.

A. Where?

Q. Do you mean to say you don't know where you had the books prior to 1948?

A. We were booking at 132 -6th Street.

THE COMMISSIONER: Q. Who was?

A. I wasbooking.

Q. Who else? You said "we were".

A. I think Feeley was a partner.

Q. And who else?

A. James Ryan - three of us owned the building there. We purchased the building there.

Q. Yes, and who else?

A. At that time I don't think there were any other partners. As we went along there was other partners, but at that time I don't think there was anyone else.

Q. What year was that? What year are you talking about?

A. What year was the question originally asked, sir? When we first bought the building there? When we first bought the building there, there was three partners, that isthe point I tried to make.

Q. Before you started your operations

in the Alpha Club, it was suggested to you that you had booking operations - bookmaking operations and were you - who were you associated with in those operations?

A. What year was - what year did you say the Alpha Club started?

MR. WILSON: Q. I said around 1948.

A. Yes, we had a store prior to that time, I believe.

Q. The New ---

THE COMMISSIONER: The New Toronto store - what address is that?

A. 132 - 6th Street.

Q. Were you making book there?

A. Yes.

Q. Who with?

A. James Ryan and Vincent Feeley and myself.

Q. Anybody else?

A. Not at that time.

Q. Not at the time - not up to the time you opened the Alpha Club, you mean?

A. That is going back a long time, and I am only guessing. I don't think it is fair for you to ask me to make a guess, on something that I don't recall.

Q. If you don't recall, just say so.

A. I will say I don't recall.

Q. Well, maybe we can prompt you a little later.

MR. WILSON: Q. You had already been charged, prior to 1948, in respect to the betting operations and bookie operation, hadn't you?

A. Yes, yes, I think so.

Q. That goes back to the time earlier than the time you started into the Alpha?

A. Yes. Now, in the ---

THE COMMISSIONER: Wait a moment, now. Was George Reid making book with you at the New Toronto store?

A. Well, at that time I don't believe.

Q. At what time?

A. I am not swearing to it.

Q. Yes?

A. Not when we first bought the store. I don't think he was working for us at that time at all.

Q. No?

A. He may have been, I am not going to swear to it.

Q. And two other persons beside you and Feeley?

A. In what year, sir - in what year, Mr. Roach?

Q. Six months prior to November the 4th, 1950?

A. 1950?

Q. Yes.

A. What was the question again?

Q. Don't you remember the question?

A. Something to do with who the partners were?

Q. Yes.

A. I recall three partners, myself, James Ryan and Vincent Feeley. We bought the store and I think the three of us were in business together at that time. Two years after that, there may have been someone working for us, or someone that came along. It is a long time ago.

Q. I see.

A. Twelve years ago.

Q. Is that the only place where you had been making book, prior to starting in at the Alpha Club?

A. When you say "making book", writing the sheet was my custom, when we started, or one of us to write the sheet, which would mean that we would not be keeping the book at that place. I would go to a certain address and they would phone me at that address and relay the business that was taken in at 132 - 6th Street, so consequently it would bring in another place.

Q. In other words, you would be the back end?

A. Yes, and we changed around.

Q. Who was the front end?

A. We would change it around so that Feeley would be the front end and then

Ryan would be the front end, and we changed around over a period of years.

Q. And what is the address of the Lakeside Cigar Store?

A. 132 - 6th Street.

Q. And you don't remember --

A. If you would give me a hint as to what you are driving at, I would be able to bring it out.

Q. Do you remember of four persons being charged on keeping a common gaming house at 132 - 6th Street?

A. Yes.

Q. Six months prior to November 4th, 1950?

A. I believe Feeley was one, and there was three fellows in the basement.

Q. Who were they?

A. One was Reid.

Q. Yes?

A. The other two fellows' names just escape me right now, but there was two others.

Q. That would be six months ending November 4th, 1950?

A. Whatever is on the paper, that would probably be right.

Q. Is that the only case where you were --

A. No, I was keeping the sheet -

there was one day at Symington Avenue when I was one day charged.

Q. Are those the only two places?

A. No, there was later years - I am just confused in my mind of the years - I am not trying to evade the places - there was a restaurant on New Toronto Street, and there was another place over on Seventh Street, I believe that Clark and Lafrade had there, and we opened the restaurant up in New Toronto Street, and there was an arrangement made, and how it all balanced out, this is ten years ago, and it is a little hazy, but there was an affiliation.

Q. Are you telling us that from these bookmaking operations you had enough money saved up to start in at the Alpha Club?

A. I would think so, yes.

Q. I see, but you can't tell us how much it was?

A. No, I would only be guessing, and you tell me not go swear to anything --

MR. WILSON: Q. I notice you used the expression "you were affiliated with one of these bookie operations". Were you a chartered member of that one?

A. I was the owner of the property.

Q. You owned all the property. Now, you haven't told us about 826 Lake Shore Road in New Toronto, in 1948?

A. In New Toronto?

Q. Yes.

A. What?

Q. That was a place where you and Feeley were jointly charged with keeping a common gaming house?

A. I have been charged on so many places I would only be guessing. If it says that, it would probably be true.

Q. If I remind you that you pleaded not guilty, and Feeley plended not guilty, and then changed his plea to guilty for both that address and the 132 - 6th Street address, and you were - and you got off on that occasion?

A. Thank heavens.

Q. Now coming to Alpha, about 1952, you were joined in your operations there by Midgley and Riggs?

A. I would think so, yes. I am not swearing to the year now. I am not going to swear to the year, because again, it is going back ten years. The exact year I am not going to swear to.

Q. And about the time they joined you, who were the people who were partners in the operation --

A. Well, originally there had been a fellow by the name of Big Harry.

Q. We have all that. Just tell us when Midgley and Riggs joined you. Who were

the partners from then on? For a while?

A. There was Feeley and myself, Midgley and Riggs, and I think that that is all, that is the only people that they might have had. They might have had other partners with them, but I would only be guessing if I said they did or did not have - but the only partners I was in business with or recognized as a partner, would be --

THE COMMISSIONER: Q. Would be what?

A. Would be Riggs, and Midgley.

THE COMMISSIONER: And what about Clarence Lake?

A. That is previous to that. Clarence Lake had already quit. He was a partner. That is not the question he asked and what he wanted to know. Midgley and Riggs were never a partner when Lake was there.

Q. No?

A. No. The year again, sir, is something -- that is ten years ago, I don't think they were -- I think he was only a partner two months, and I don't think we had a leap. We lost pretty near every night, and we couldn't get partners.

Q. What about Ralph Clark?

A. Ralph Clark dropped out too, and Jack Lafrade had dropped out, and Ryan had dropped out, and left Feeley and myself to support the place, and I think we -- so we tried

to get people to go along with the thing.

Q. And you succeeded in getting Midgley and Riggs?

A. Yes, Midgley and Riggs. It was a tough time, to get them.

MR. WILSON: Q. You got two pretty good men?

A. Very good, honourable.

Q. And then the four of you then carried on for - right up to the time that it was closed up?

A. Ten years --

Q. Yes, and --

A. And never a complaint in ten years - never a complaint.

THE COMMISSIONER: Never a complaint about what?

A. There was never a complaint. The police department never received a formal complaint in the ten years that this place operated. They gave evidence to that when they were up - when the charters were up for cancellation, and at the cancellation they called the local chief of police, and then - and I think there was evidence given that in the ten or twelve years that the club had been ran, there was never one formal complaint.

Q. Is that so?

MR. WILSON: Q. Now, you say that Riggs was an honourable man?

A. Yes, I think so.

Q. Now, when he comes here and swears as he has, in his evidence at page 4460, and also at page 4523, that you and Feeley looked after security, and the money in thebank, what would you say about that?

A. I would say you would have to define security to me. You would have to have him define what he meant by security. And, as far as the bank - the money was issued every night when they were partners, and it is pretty hard here when a fellow stands up here for seven days and under cross-examination, not to make small mistakes under oath.

Q. I would not think that security would be a small mistake, would it?

A. Would you define security to me?

Q. How do you define security?

A. Security?

Q. Yes.

A. Security - to secure something - to get ahold of it.

Q. Yes?

A. Security is cash, or valuables. I haven't had much of an education, and I am not much --

Q. Speaking in terms of the club you were operating, what would be your function if you were looking after security at the club?

A. Security? If I was at the club looking after security - I would not use that word to start with.

Q. Riggs used it?

A. You will have to ask Riggs, I am not going to define something he used.

Q. Well now, who looked after keeping the police out?

A. Big heavy doors were there, and when we heard the sledge hammer hit the door, we knew it was the police. That is what kept them out, plus a charter, plus our fundamental rights to gamble in a bona fide social club.

Q. Fundamental rights?

A. By heritage, yes.

Q. And was part of your job looking after the security of the people outside who were, what we all - what do they call them - what do you call them?

A. I don't know who you are speaking of.

THE COMMISSIONER: Well, they have various names - parking attendants in some people's description, and they were "lookout men" in other people's descriptions, but you knew you had buzzers out there, didn't you?

A. There was one case where there was a buzz that went to the front door.

Q. You had buzzers out there?

A. When we first went there, there was a buzzer that had been there from prior owners. We did not have anything to do with what was in there. It was installed by previous gamblers.

MR.WILSON: Q. And did you have a few vicious dogs out there too?

A. I would not say they were vicious dogs, just puppies.

Q. What type of puppies were they?

THE COMMISSIONER: Q. They were not lap dogs?

A. Well, there was all types of dogs.

---(Outburst of laughter)

MR. WILSON: Q. Did you have muzzles on them?

A. No.

Q. And did you have a door man -- did you have a door man or more than one door man?

A. The steward would answer the door, and the reason for that is that we had court cases where someone else had opened the door, and the court found that anyone who opened the door was taken to be a keeper, or someone connected, and therefore the club's solicitor said, "Let the door man do everything, don't do anything".

Q. And that was the door on the main floor, but who handled the door upstairs where the gambling was going on?

A. There was no door upstairs.

Q. There was no door at all?

A. The only doors that there were, were on the main floor. There was no door upstairs.

Q. There was a door - there was a stairway going up to the gambling room?

A. Yes, there was a door on there.

Q. How did you get by that door?

A. It was always open, and at any time - you mean when the police came?

Q. Oh well, when the police came it would be open?

A. No, it would be closed. That is the only time it would be closed, when the police came.

Q. Unless you happened to be that particular day playing a nice quiet game of poker, or something?

A. Well, we had lots of games of poker there, and gin rummy, and we had lots of crap games there.

Q. And quite often, as a coincidence, you would be playing poker, or gin rummy, when the police arrived?

A. No, no, that is wrong, completely wrong.

Q. Do you disagree with Feeley?

A. Yes, I do disagree with Feeley entirely on that point.

Q. Well, the ~~heavy~~ happy partnership has got a disagreement on that point.

A. Well, I don't think we will come to any blows over it.

Q. No. And, now coming back to Riggs' statement --

THE COMMISSIONER: Well, it is five after one.

MR. WILSON: Yes.

---Whereupon the hearing adjourned at 1:05 p.m. to resume at 2:15 p.m.

(Page 10550 follows)

AA/GRS/1

---On resuming at 2.22 p.m.

---The witness resumed the stand.

MR. WILSON: We were talking about security, and I mentioned Riggs in his evidence had stated, at page 4460, that you and Feeley looked after, when he talked about security, looked after the doors and the locks and the look-outs, and everything. Now, would you agree with that?

A. The doors? The locks?

Q. The locks and the look-outs, and everything?

A. Would you read it to me, what he said, please?

Q. The question, at line 19:

"Well, I understood you had a pretty "effective set-up there in the way "of doors and locks and look-outs "and everything. Who would be "responsible for looking after that? "The manager or the steward?

"A. The steward used to sit right "near the front door.

"Q. But who would work out the "different security measures to "make sure that the police would not "get in too fast?

"A. It was usually Feeley, McDermott, "they used to look after that end of it

"pretty well."

A. Yes.

Q. Do you agree with that?

A. I agree with the doors. If there was a door broke down by the police, that happened quite frequently, we might, one of us would look after having a door put on, or ask the steward to have -- order another door, and we might supervise the hanging of the door, yes.

THE COMMISSIONER: That is not what Mr. Riggs is talking about at all.

A. Well, would you tell me the question? Exactly what the phrase was?

Q. After a door was broken down it doesn't provide any security.

MR. WILSON: Riggs' evidence is that you and Feeley looked after the security, the doors and the locks and the look-outs.

A. Well, I want to go over each one at a time. Doors, yes. The locks, yes. The look-outs, there were no look-outs. The steward was sitting in his place. He didn't need any look-outs, if the fellow in the parking lot -- there was a fellow that parked cars there. Outside of that, there would be no one looking out. Does that answer it?

THE COMMISSIONER: That is an answer. I say, that is an answer.

A. That is the gospel truth.

Q. You say that those who were parking cars were not look-outs?

A. Certainly not as far as I am concerned. They may have had an occasion when they came to the door and said the police are here, but they were not specifically put there to -- to be look-outs.

THE COMMISSIONER: I see.

MR. WILSON: Over the lunch hour adjournment have you recalled what kind of dogs you had out there?

A. Yes, I went over it in my mind. There were a number of dogs over a number of years, there were cats, and there were goldfish.

Q. I want to get back to the dogs.

THE COMMISSIONER: Well, now, witness, don't be facetious. You were asked what kind of dogs you had. What kind were they?

A. They were mostly mongrels.

MR. WILSON: Well, I will have a picture of some of the dogs that you had in a moment. Now, after -- why -- why did you give up the Alpha Country Club charter and obtain the Army, Navy and Air Force charter?

A. Because there was a prosecution against the -- did you say the Alpha Club?

Q. Yes, why did you give up the Alpha

in favour of the ---

A. There was a prosecution, and it was unsuccessful, but at the time of the prosecution the lawyer noticed that there was share capital, which the police failed to notice, and the Crown had failed to notice that it was a share capital company, and having such we were not given the protection of the Criminal Code. The provision of the Criminal Code would not have been available to us had they submitted that it was a share capital company, and on those grounds we saw fit to. That is my reason as well as I can remember, that we were advised at the time that had the prosecution noticed that it was a share capital company ---

Q. Just move back a little bit from the mike.

A. --- a share capital company, that we would never have got that protection.

Q. In other words, you wanted to get the exception in the Criminal Code, and you wanted to be sure of it, and that is the reason you did it?

A. We were entitled to it, and we wanted it.

Q. It was a fundamental right, I suppose?

A. It was a fundamental right, and part of our heritage, yes, and still is.

Q. Now, how far does this fundamental right and part of our heritage go, in your mind, in connection with your gambling operations?

A. As far as charters are concerned, or which? How do you mean that?

THE COMMISSIONER: Just a moment. Mr. Registrar, would you move the microphone so he can't be getting up so close to it as he has been. It will carry his voice all right.

MR. WILSON: Well, you seem to be using it in a broader sense than merely the charters?

A. No, I didn't intend to use it in a broader sense outside of the charters, but I will say that, referring to the charters, there is a difference of opinion on exactly what it means, and I have my own opinions on it, and still have, and now, when I refer to -- when I refer to a charter, I think that in my opinion that twenty gamblers can get together, get a branch for a federal charter for the -- the only purpose of gambling thereunder, lock the door, and go behind locked doors and gamble, and that is perfectly permissible then. So I -- I say that is one of our fundamental principles, and that is why it is in the Criminal Code. That is why the provision is set out, and that is what we rely on.

Q. In other words, you say that it

is a fundamental right to run a bank game behind locked doors, free from any interference by the police?

A. I don't say a bank game, and there, as far as I was concerned, it was not a bank game. We went into great lengths to have that defined for us by the Ontario Provincial Police and by the Supreme Court of Canada in Ottawa.

Q. Right.

A. And the bank is held to be if one man, or one group of men, cover the bank, and exclusively of every one else, which we never did do.

Q. Well, let me understand that, because I won't get into a debate about that. You say that the fundamental right that you are talking about to operate a type of game that you were operating at the Centre Road, for example, was something that you had the right to do without interference?

AA/2

A. I still feel so, yes.

Q. Without interference from any police?

A. No, I think they have the right to investigate it, and they have the right to lay charges, and they have the right to bring it in the Court, but after that it could not be -- it could not be used as a punishment, and warrants are not to be used

as a punishment, and that is what it came down to. If we had the due process of law, we would never have pleaded guilty before a judge or magistrate, and over the ten year period we appeared in quite a few -- in quite a few appeals, and we were held to be justified.

Q. Why did you plead guilty?

A. Because we had to panel a jury, depending on our decision, and we couldn't possibly panel a jury, not with the publicity Peeley and I have been getting. It is impossible to get a jury who is impartial. We have had three years of this.

Q. Now, what is the heritage part of it? I understand your fundamental approach, what is the heritage part of it?

A. I am a Canadian citizen.

THE COMMISSIONER: Mr. Wilson, what is the use of taking up time, just pursuing that?

MR. WILSON: Well, I won't pursue it any further. Now, just take a look at that picture. It was taken in 1959 out at the Centre Road Vets Club. Is that one of your dogs?

A. That is a mongrel dog, yes. That is a bad picture of him. Some one has provoked him to that.

Q. Well, maybe -- just show it to the Commissioner and he can see what the dog

looks like.

THE COMMISSIONER: You say that was provoked?

A. They have provoked that dog. That dog was a mild-mannered dog.

MR. WILSON: I don't know ---

A. And there was a number of dogs out there.

THE COMMISSIONER: Like this?

A. No, no. There were little dogs, and the cat would go right in with that dog.

Q. Oh, never mind the cat. Were they all dogs of that type?

A. No, they weren't, sir.

Q. Were they all big dogs?

A. No. There was a hunting dog. There was a small, little hunting dog, or a little kind of a spaniel.

Q. Yes?

A. There was a number of different dogs.

Q. Where did you keep this particular brute?

A. That dog was kept at the back, and if I might ---

Q. Just answer the question. Where did you keep it?

A. Caged up at the back of the club.

Q. I see. Always in the cage?

A. Always in the cage, sir.

Q. What use was he to you in a cage?

A. The German caretaker there loved dogs. I liked dogs. He wasn't a protector. He was no -- if he was, we would have tied him in front of the front door, if we wanted him for protection. This is just an inference that doesn't mean a thing. An inference of a dog in a cage behind a club.

THE COMMISSIONER: The locked doors are heavy doors?

A. Very heavy doors.

Q. Very heavy doors?

A. Exactly.

Q. The dogs, all that is just a coincidence?

A. Not at all, no.

Q. Oh?

A. No.

MR. WILSON: In 19 ---

THE COMMISSIONER: Are you entering that as an exhibit?

MR. WILSON: Well, we can, Mr.Commissioner.

THE WITNESS: We didn't start off with heavy doors, Mr. Roach. It was over a period of years they kept getting bigger.

THE REGISTRAR: 260.

---EXHIBIT NO. 260: Photograph of dog taken at the Centre Road Vets Club in 1959.

MR. WILSON: In 1957, at theCentre Road Club, why did you give up your federal charter

and seek and obtain a provincial charter?

A. Is that the Alpha Club charter at that time, 195 ---

Q. Oh, no -- we ---

A. 1957?

Q. The Alpha, we have passed by. We have been dealing with the Unit 324, which became 326, which ran from 1954 to 1957. Now, why, in 1957, did you give up your federal charter?

A. Do you want me to make as short an answer as I can, or do you want me to explain it fully?

Q. You answer it whatever way you wish.

THE COMMISSIONER: Answer whatever way you choose.

A. Over a period of years the Provincial Police kept up a ten year campaign to close the club, and they started to execute warrants every night, and we asked the lawyer of the club at that time to complain that this was not a due process, and we felt that there was a -- we got into an argument.

Q. Who did?

A. The lawyer wrote letters back and forth. There was a batch -- I believe they are exhibits here -- batches of letters on what we felt, and what they felt, and I imagine that the Attorney General's Department

felt that we should be brought under provincial jurisdiction, and we had no objections, but it was the same thing, as long as it was a bona fide club we were entitled to that provision in the Criminal Code, and we felt that even by issuing us a new charter and putting clauses in there about bolts and locked doors, they had no right to take something away from us. The province cannot take something away from us that was legislated in the Criminal Code, that those provisions would stay with us, and that was our reason for accepting it.

MR. WILSON: Q. Now, were you -- were you having any difficulty in operating just prior to the issue of the provincial charter?

A. I -- I, if -- I am just guessing now on this. I would think it was a steady campaign of stopping the people coming, and asking them in the driveway for their names, executing a warrant against the place, and, yes, it was a -- I believe the police parked there for thirty days, and stopped every one coming and going, and asked them for their driver's licence, and we complained about that. We thought it was wrong.

Q. Well, were you in danger of going out of business under the federal charter just before you got your provincial charter?

A. In danger of going out of business?

Q. Yes.

A. Not a bit of it. I didn't think so.

Q. Now, when you say there would be no difference in the provincial charter, by reference to Exhibit 11-A, we have already noticed that it has a condition or provision in it which eliminates the benefit of Section -- paragraph (a) of subsection 2, of Section 168 of the Criminal Code. Now, you say despite that provision in the charter you still had the benefit of the exception provided?

A. Exactly. That was my opinion, that as long as it was a bona fide social club that we came under the Criminal Code, and that that could not be taken away from us by provincial powers, it had to come from federal. As long as it is in the Code, it will always remain this way, and that is the crux of this whole thing.

Q. And did you also have a part in the obtaining of the provincial charters at the same time for the Frontier and the Homeland?

A. I had no part in any -- would you define what you mean by part? I don't want to say something that you are not asking me.

Q. Well, as to the operators, as such, you were the go-between as far as the Frontier

was concerned in this?

A. No, that would be absolutely wrong. I deny that.

Q. Well, did you represent them in any shape or form so far as the transition from federal to provincial charter?

A. Represent them in any form? I didn't think so in my mind, no. I attended to Mr. Herman's office. He had been negotiating matters for us at the Cooksville Club, if my mind serves me correctly, and he asked would you feel that you could give up your federal charter and take a provincial charter, and, as I said, the reasons for it were that I felt it was exactly the same, we had the same protection, the same privilege, that no one could take that away from us.

Q. You sat in on the discussions in Mr. Herman's office leading up to these changes, didn't you, of the charters?

A. I may have, on one occasion, one or two occasions. I -- we didn't discuss it, it was just that it was there, and there was no long discussions, it was a quick decision.

Q. And did you pay the fee to Mr. Herman for his services?

A. I believe it was paid by cheque from the club.

Q. Well, now, that is the first time we have heard that.

A. Now, then, I am not swearing to that. That is from recollection in my mind. I could be very well wrong on that. I would think that it was paid by cheque out of the club. I may be wrong.

THE COMMISSIONER: And the club had a bank account?

A. The previous club.

Q. The club, or the account on which the cheque was drawn in favour of Herman was in the club's name?

A. The way I --

Q. No, no, is that right?

A. I still don't know which club you are talking about when you say the new charter club.

Q. I am ---

A. The one we were not using at that time?

Q. I am talking about the payment that was made to Herman at the time that the provincial charters were obtained. You said his fee was paid by a cheque of the club?

A. I say ---

Q. Is that what you said?

A. I believe it to be.

Q. Yes. All right. Then, the club must have had a bank account on which to issue

the cheque?

A. Oh, yes, I think so.

Q. Well, where was the bank account? Now, don't tell me you don't recollect of that? I am sure you know the club's bank account?

A. Oh, sure.

Q. Well, now, where was it?

A. It was at the corner bank in Cooksville. It was there for ten years. I don't swear it was there for ten years, but it was there. Everything was paid by cheques, which we were bona fide, and there was an auditor that audited the books.

MR. WILSON: Who was the auditor?

A. The auditor at that time I think was a Mr. Lawrence.

Q. What is his first name?

A. I think it is L.

Q. It wouldn't be Cliff Lawrence, would it?

A. Yes, that would be it. Cliff. Cliff L. Lawrence.

Q. Well, you are not -- you are not suggesting, are you, that this club, as a club, was operating the gambling that was going on at this -- on these premises?

A. It would take some time for my definition of it.

THE COMMISSIONER: Your definition of what?

A. That this club were running the

gambling.

Q. Well, you are asked are you suggesting that the club was operating the gambling?

A. I am suggesting that the club had the right to gamble there, and that the club is not an individual, the club is an association, that people belong to it. It would be the same if the Y.M.C.A. was running a card game, or the Granite Club. It -- I felt they have the right to gamble there. The club, to be bona fide, the first thing we -- we -- we did, was to -- to get legal advice on what the word bona fide meant. What does a bona fide club mean, and by bona fide we were told that you must keep books, have an accountant, you must pay fees, and a number of other things, and when we complied with that, then we were bona fide, and we were entitled to the protection of the Criminal Code, and we had the right to take a rake-off under the Criminal Code.

Q. Oh?

A. Which we didn't do. Right at the early part there was a rake-off. It sets out exactly what the rake-off could be, and we -- we took that privilege right up to the time that we got the new charter, and then that privilege was taken away from us. We didn't take the rake-off, but we still kept the lock

on the door, because we were quite satisfied that itwas up and above board, and I still think it is.

MR. WILSON: Well, if Mr. Herman says, as he has sworn here, that he was paid at one time for the three charters and that the people who were in his office at that time got some money together and paid him $500, would you say that would be in accord with your recollection?

A. I don't recall exactly what he was paid. I couldn't swear that it didn't happen, and I couldn't swear that it did.

Q. Well, I want to turn to the Niagara District. Did you at any time have any interest in any of the gambling clubs operating in the Niagara Peninsula, and that includes both Niagara Falls and Port Erie?

A. A financial interest?

Q. Well, any interest?

A. I had no financial interest. An interest? I might have had a curiosity interest to see how -- if they were doing all right, or if they were -- I do believe that I gambled with Ginsey, who is a friend of mine. He was interested in that.

Q. Well, what clubs was he interested in over there?

A. I would only be guessing. I would think all of them.

Q. Now, in connection with the Frontier Veterans Club, which along with the Centre Road Club got a provincial charter in July of 1957, what was your interest in that club, after the obtaining by it of the first provincial charter?

A. No financial interest again.

THE COMMISSIONER: What was your interest?

A. The same as before, my interest would be that Ginsey was affiliated there, or he was -- he was interested there. I think he was interested financially there. He gambled there. If I went over to -- if I went over to the Fort Erie race track I would drop into that club. Mind you, the most of them played an Italian game called "skin". They are mostly Italian fellows belong to the club, and I wasn't a player of skin.

Q. A skin game?

A. Yes. It is an Italian game, skin, that is played. I don't understand it too well, Mr. Roach.

MR. WILSON: Now, Arthur Jolley has sworn in evidence here that you approached him in Toronto, and told him that you had a club at Fort Erie, and asked Jolley to arrange a meeting with Chief Johnston in Bertie Township to discuss the raiding policy. Do you deny having that meeting

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with Jolley, and having made that statement to him?

A. No. I met Mr. Jolley through Mr. Maloney, I think on one occasion, and I may have mentioned that a friend of mine, Ginsey -- it is quite a while ago, and I couldn't swear exactly what the conversation was now.

Q. Well ---

A. But there was some discussion of a club, and that I felt it -- that Ginsey had told me that they were being raided out of commission, and I think it was a very brief discussion that I had had with him, and as for the appointment I think I asked him if he would make an appointment for one of the fellows at the club, not for myself, for one of the fellows. He may have interpreted that I said for myself.

Q. Well, did Ginsey ask you to do this?

A. Yes, he did.

Q. Well, then, did you call Jolley -- or, you saw Jolley in Toronto, is that right?

A. I think that is the way it happened, yes.

Q. And then did you phone three or four times in Port Erie from the Costello number?

A. No. I think that I called Jolley on one occasion, that I had it in my mind that

I had called Jolley to talk to him later, and I didn't get through to him. I think on just one occasion.

Q. Well ---

A. But that was some time after that. I don't think it was back at that time.

Q. Well, what was the date you fixed the meeting with Jolley?

A. I would only be guessing in that. I haven't got a ---

Q. Now, in his evidence, at page 3436, in line 6:

" . . . in 1958 he called me . . . " --

and that is speaking of yourself --

" . . . and asked me could he see "me, which I said, 'Certainly', so "I met him and he explained to me "thathe had a club in Bertie "Township, referred to as Fort "Erie."

At line 21:

"He explained to me that he had a "club at Fort Erie and that it was "under a charter."

"Q. Just a moment. Yes?

"A. And that he was being, well, "to use an expression, raided, and "he felt it was not in order. The "members were being embarrassed "and it came under the jurisdiction

"of the Bertie Police Force and he asked "me did I know the Chief of Police there."

Now, you recall that conversation you had?

A. I recall speaking to Mr. Jolley, and I recall telling him it was about the club, but I think I made it quite clear that I was doing this in the capacity for Mr. Ginsey.

Q. In other words, you deny that, his statement that you told him you had a club at Port Erie?

A. That I had a club? I don't think I used those words, I had the club. I think Mr. Ginsey had a club there, and asked me to -- to get -- ask some lawyer ---

THE COMMISSIONER: That is not what Jolley said, though.

A. Well, the difference between Jolley and I is that he used "I" and I am saying that I was doing it for some one else, and it is some time ago.

Q. You have just now sworn you told him you were doing it for Ginsey?

A. Right.

Q. All right. That is one thing that would stick in Jolley's mind, if you had mentioned Ginsey. That is an unusual name.

A. I mean I may have said a friend

of mine, but I thought I said Ginsey, yes.

Q. Yes?

A. I don't know whether it stuck in his mind.

Q. He swears that you told him you had the club.

A. He may have misunderstood me.

THE COMMISSIONER: I see.

MR. WILSON: Well ---

THE COMMISSIONER: All right, Mr. Wilson, pass on to something else.

MR. WILSON: Exhibit 121, we find that there were four calls from the Costello number on May 19th, May 22nd, June 5th and June 19th, 1958.

A. I have sworn that I believe I made one of these calls, and I don't know, but I don't think I got through to him.

Q. And you don't know who made the others?

A. No, I don't, sir.

Q. Now, did you also complain to David Humphrey about these raids on the Bertie -- or on the Frontier Club?

A. I believe I discussed it with him, yes.

Q. And did you also pay him for his services in going over to interview Police Chief Johnston and appear before the council?

A. I don't ---

Q. Or the Board of Police Commissioners?

A. I don't recall if I did or not. I couldn't swear to it.

Q. Well, he -- he says he was paid by you for his services in connection with the Frontier Club?

A. I cannot swear if I did or I didn't. If I did ---

Q. Yes?

A. But I don't think I did, I was reimbursed by Ginsey, or he would give me the money in advance to hire a lawyer to argue this point for him.

Q. Now, what was your attitude towards the old Rawsay Club in 1958 that was operating then at 1693 Victoria Avenue?

A. No more so than it would be in any of the clubs.

Q. It was competition, wasn't it?

A. No, we never found any other clubs competition. The more clubs there are the more -- creates more business. The proof of that is in the Liberals' time under Hepburn. There were lots of clubs in Ontario, and they thrived, and they all run the same way as we are doing right now under the Conservatives with a charter, and you had to be a member.

Q. Well, are there any -- any running

to-day that you know of?

A. That I know of?

Q. Yes. You get around?

A. I don't know of any offhand. I would think there would be thousands if you wanted to go and look for them. Ethnic groups -- ethnic groups all over the country have them. The Chinese community has lots of them.

Q. Do you know of any operations similar to your Centre Road Club that are in existence in this province to-day?

A. I haven't given it too much thought.

Q. Well ---

THE COMMISSIONER: Well, give a little thought to it now.

A. Do I know of any?

MR. WILSON: Yes.

THE COMMISSIONER: Yes.

A. I don't know of any, but I think there would be lots.

MR. WILSON: And you -- your whole career in the last fifteen odd years has been in the gambling field, hasn't it?

A. No, the last three or four years I have devoted most of my time to mining.

Q. Oh, I see.

A. And prior to that quite a bit of real estate transactions, and so on, but there was quite a bit of gambling. They

gave evidence at my trial, Mr. John Anderson gave evidence that the last two or three years that the club was open in Cooksville he didn't see McDermott around very much.

Q. Are you -- are you involved in the Cat Cay in the Bahamas now?

A. Yes, I am.

Q. Yes. That is just to keep your hand in, is it?

A. No, it is from a financial viewpoint, but I think I only spent one week there, if I spent that long, last winter.

Q. Now, speaking of the old Ramsay Club, did you -- did you see these various, what Peeley describes as transcripts that he says he got from Ginsey about how to close the Ramsay Club?

A. Yes, there was a -- there was -- some pages set out that he did show me, or Ginsey showed them to me, I am not just sure what. I did have a look at something, and I didn't think too much of it. I didn't pay too much attention to it. I am not ---

Q. Well, who showed it to you?

A. I say it was either Peeley or Ginsey.

Q. Hm-hmm?

A. I think maybe it was Mr. Ginsey. I am only ~~addressing~~ guessing again.

Q. And were you a party to this campaign

to put the old Ramsay Club out of operation?

A. The furthest thing from my mind.

Q. Yes. And we have heard from Feeley that he was feeding this stuff to Shrubb on the theory that he was going to find out whether or not the O.P.P. had a copy of the Ramsay brief. Do you go along with that sort of a story?

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A. Yes, I would think that is exactly what happened.

Q. Yes, and who, to your knowledge, was the author of this, what we know as the Ramsay brief?

A. I don't care to speculate on that.

THE COMMISSIONER: Do you know?

A. I don't know.

Q. You are pledging your oath ---

A. I pledge my oath ---

Q. --- you don't know?

A. --- I don't know.

MR. WILSON: Did you have anything to do with the preparation of the Ramsay brief?

A. Did I have anything to do?

THE COMMISSIONER: You heard the question.

A. I looked at prepared notes that Ginsey had. I had read some of them. He said that it had gone in, this had already gone in a month or two months prior to this, and that the O.P.P. were going to act on it, what did I think of it. I looked at it, and

Q. Yes, I would think that is exactly what happened.

A. Yes, and who, do your knowledge?

Q. Yes, and who, do your knowledge?

A. I don't know.

Q. Was the murder of this, what we know as the Mabury burial?

A. I don't think so personally at that.

said, well, I wonder if they will use it at Cooksville. That is as far as I know about the brief.

MR. WILSON: And who did Ginsey tell you was the author of this brief, or Feeley for that matter?

A. I couldn't swear now. I don't think that ---

Q. You weren't interested enough to find out who the author of it was?

A. No, I wasn't.

Q. Well, around about the time -- in September of that year, that was 1958, Feeley disappeared for a while, didn't he?

A. Yes, I believe he did.

Q. Yes, and didn't you feel there was a possibility that something had happened to him by way of retaliation for giving information to the O.P.P. about the old Ramsay Club?

A. That was said in fun by Mr. Dave Humphrey in my presence, of something -- of that having to do with the Ramsay Club, something about, well, maybe some of the other gamblers, and I said things like that don't happen in Ontario. I was concerned about him. He was my partner, and I was concerned about him.

THE COMMISSIONER: You went to the police about it, didn't you?

A. No, I didn't go to the police. I believe Mr. Humphrey called the police.

THE COMMISSIONER: But at your request?

A. I don't know if I possibly requested that. I was concerned about it. He was a periodic drinker, and we discovered that he had got on a bender.

MR. WILSON: Q. Well, then, you -- you were not aware of the fact that in 1959 the Ramsay Club charter was used to open up a club at 1693 Victoria Avenue in Niagara Falls?

A. I may have been.

Q. Well, not may have been. You knew what was going on over there?

A. I didn't keep that good track of where they opened up, or where they moved to.

Q. Now, who, to your knowledge, was the moving spirit in the old Ramsay Club set-up?

A. I am not going to call any one the moving spirit, because I don't know exactly all that implies.

Q. Well, you used it before?

A. Some one used it to me, and I think they used it wrong.

Q. Well, then, you use whatever expression you like. Who were the operators of the old Ramsay Club?

A. Well, the only people that I knew around there -- I knew a lot of them by their

first names, but I wouldn't know their last names. Mostly Italian names but I would not -- Sam, and Tony, and Ginsey.

Q. Oh, was Ginsey in the Ramsay Club?

A. I thought he was.

Q. Was Borelli in it too?

A. I couldn't say about Borelli. I am not sure if he was or not. He may have been. He frequented the place. I don't know.

Q. So we have Ginsey having a piece of the Frontier, and also a piece of the old Ramsay, is that right?

A. I didn't say he had a piece of either one of them, sir. You said that.

Q. Oh, no, I thought you just said that Ginsey ---

A. Oh, no. Well, I didn't say anything about a piece. I may have gone into the place too, but I didn't have a piece.

Q. Now, what was -- what was Ginsey's relationship to the old Ramsay Club?

A. That I don't know.

Q. No, but surely you wouldn't -- you wouldn't be a party to having Feeley try to put the old Ramsay out of business, if ---

A. I don't think so.

Q. --- if your good friend Ginsey had a piece of it?

A. I didn't think for one minute that

he did.

Q. Well, then, when the new Ramsay started up, who to your knowledge were the people who operated the gambling there?

A. The same as the other. I didn't differentiate between the new or the old. They were all the same to me.

(Page 10585 follows)

BS/1/VP

Q. Did you tell Scott that you and Feeley had the lion's share in the Ramsay Club?

A. I did not.

Q. So that if he swears that at page 1637, you say he is wrong and that you did not say it?

A. I talked to Scott and Wright on quite a few occasions and had long-winded conversations with both of them, but I do not recall ever saying anything like that about the "lion's share". I said, "lion-hearted" about Gardner.

Q. Yes, he says at page 1637, line 24:

" As I recall his words were —"

speaking of you —

"'Pete and I have the lion's

"share in the club at the Falls'."

Did you or did you not make such a statement to Scott?

A. I don't recall ever making that statement.

Q. Did you ever meet with Maggadino to discuss the conflict of the two sources of tip-off information?

A. I don't know anybody by that name.

Q. You don't know anybody by that name? Do you know Maggadino, the "undertaker"?

A. I don't know anybody by Maggadino "The Undertaker".

Q. You never heard of him?

A. I heard of him at our case.

Q. Have you heard of the brother?

A. No, I have not.

Q. Never met the brother?

A. Never met anybody that I would know, unless they were at those crap games and somebody said, "Here is Sam" or "Here is Pete" or "Hello, Joe", but I had no talkings with any man like that.

Q. Now, did you know Don Scott, the assistant Crown Attorney at Welland?

A. To my knowledge I have never seen him in my life or do I know him.

Q. Did you ever have any communication with him by phone or otherwise?

A. No, not knowingly.

Q. Turning to the Windsor area, we have heard of the club in the Windsor area in which Curly Gardner and Finnegan had an interest.

A. Yes, I know it.

Q. You know it?

THE COMMISSIONER: Q. You know what?

A. I know the club.

Q. Under what name?

A. I first knew the club under the Border City Press Club, I think that is what

Curly Gardner told me they call it, and the charter was cancelled and Curly Gardner came to Toronto here and he launched an appeal against the Letters Patent being cancelled without giving a hearing. The Court of Appeal, I am quite sure that the Court of Appeal said that they had no licence cancelling these charters of that club without giving them a hearing, and the Court of Appeal of Ontario here reinstated it and said that the Lieutenant Governor or someone would give them Letters Patent back or else give them a hearing. I think that is my version of it. I read the decision. I think maybe Mr. Roach, you sat on that appeal.

Q. I have no recollection of it. I may have.

A. I think you did, yes sir.

MR. WILSON: I think there may well have been a decision along those lines, but you are fixing that as the time when you first knew about this club?

A. That is when I first heard about it. I don't think I had seen it at that - or saw it, I don't think.

THE COMMISSIONER: Q. You first heard of the club down there under the name of Border City Press Club?

A. Yes.

THE COMMISSIONER: All right, from there.

MR. WILSON: Q. How long have you known Curly Gardner?

A. Just roughly now, maybe fifteen years, maybe ten years, somewhere back in there, maybe longer.

Q. We have heard that you and Feeley advanced money from time to time to Gardner. What do you say about that?

A. Yes, he was a chronic gambler and he would bet on anything and he would bet with us and I bet with him, too, when I thought I had the best of him.

Q. How much money would you say you advanced to Gardner, from the year 1954, say, to 1957? How much did you and Feeley advance to Gardner?

A. Very little money, I would think. I am only guessing and I would not want to hazard a guess, but I understand that he said $50,000. I didn't think it was $5,000, either way.

Q. I don't suppose you keep books?

A. I don't, no, but I have got a darned good idea if I give anybody any money.

Q. Have you got a good memory?

A. Where finances are concerned?

Q. Yes.

A. If a fellow owed me money, I don't let it drop out of my mind until he pays me, and once he pays me then I forget it.

Q. Did Gardner pay you back everything that you lent, you and Feeley lent him?

A. No, I think it is not a big sum. In fact, I didn't expect it back after he got in all the trouble. He had a nervous breakdown and he went completely to the dogs. He was not the same man at all. He didn't know what he was doing. His nerves gave out on him completely.

Q. When was that, when did that happen?

A. Around the time - a little prior to his case down there, for some time he had been - he would have good days andbad days.

Q. How did he pay you back if he paid some money back? How was it done?

A. Oh,he would often send me a money order, or if he was making money and he owed some money he would pay so much off. He would guarantee me - or I told him he couldn't get any more until he paid up so much a week or so much a month, and he might send me money, might come up with it, oftentimes, and his partner Leo Finnegan was betting too, and between the two of them, their betting back and forth, there was a number of ways that they would pay the money back.

Q. Did you go down with Feeley early in 1957 with the Fire Marshal to go over the Roseland building?

A. Did we go down with the Fire Marshal?

Q. Yes, with an architect, too.

A. I think we had architects up at Cooksville.

Q. The same architect.

A. And the same architect, I think they asked us, "What are you people doing?" and we said we had an architect that was checking that over, and I think they asked - yes, I don't know if we went down with him.

Q. I suggest you did.

A. Quite possibly we did. I couldn't swear either way.

Q. So you just went along to look over the plant, did you, with the architect?

A. Maybe Gardner owed me some money, and I thought if I went down I thought he would pay a little bit.

Q. When the raid was made --

THE COMMISSIONER: Q. Did he?

A. I wouldn't recall.

Q. You don't recall that. That was your prime reason for going down, was it?

A. That is a long way back. I couldn't swear to that, Mr. Roach.

Q. What was your prime reason for going down?

A. I haven't got a clue. I have gone, often gone places in my life and I have had

no prime reason.

Q. Any place except the Roseland Club when you went there at the time the Fire Marshal was making the inspection. Why did you go on that occasion?

A. I am sure there is - that there is no specific reason.

Q. No specific reason?

A. Not that I can think of.

Q. Can you suggest any reason?

A. I wouldn't care to speculate unless I am forced to.

Q. You can't even suggest a reason, outside of the one you have already suggested, that possibly Gardner owed you some money and you thought you might go along and maybe he would give you some, repay some?

A. I think that would be mainly the one I had in my mind. How do I know what I had in my mind that many years ago?

Q. How many years ago was that?

A. It is five or six now. Can you think back five or six years and tell what you had in your mind when you done something? Can you think even of the case in the Court of Appeal of the Border City Press Club?

Q. Well, if I had one trip to the Roseland Club associated with an inspection of that club by the Fire Marshal, I think I would remember it, now that you are asking me.

A. That didn't emphasize anything to me. The inspection of any of these clubs didn't mean anything to me.

Q. Didn't mean a thing to you?

A. Not a bit, the Fire Marshal's inspectors, no more than that.

Q. Let us hop along. There came a time when the Roseland Club was raided and it didn't take you long to get down there with some Toronto lawyers. Why did you go down on that occasion?

A. After it was raided?

Q. Yes.

A. I wouldn't think we went down for a month or more after it was raided.

Q. No?

A. I don't know. That was the case after the place was raided?

Q. I can't recall the date now.

A. I think there must have been remands and remands and Gardner ---

Q. Let us assume there were. What interest had you going down there with the lawyers and having consultations over at the hotel in Detroit?

A. Gardner owed me money.

Q. Yes?

A. And I didn't want him out of circulation. I wanted him to pay my money.

Q. Yes?

A. And plus that, he had asked me, I think he asked me if he could see our minute book of how we kept our minutes, and if I am not mistaken I put that under my arm and let him read our minute book and said, "That is how we keep it".

Q. This is just after the raid?

A. I would think it was.

Q. That is the only reason you went down?

A. I can't think of any other.

Q. Busied yourself getting lawyers, going into consultations in Detroit, Mr. Rose down there, Mr. Herman, and Mr. Humphrey, a whole battery of lawyers.

A. Mr. Martin.

Q. Mr. Martin, and the only reason you were going down, because you didn't want --

A. If there was a prosecution of any ---

Q. Just a moment. The only reason you were there at all, because you didn't want Gardner put out of circulation because he owed you money?

A. Yes, and if there is a prosecution of any gaming house in Ontario that I think is important, I probably go and listen to it.

Q. You weren't ---

A. I think I went in and heard the Border City Press Club in the Court of Appeal,

and I wasn't ---

Q. Listen to me, please. You weren't down there listening. You were down there preparing strategy for the defence?

A. Strategy for the defence?

Q. Yes, "strategy" is the word I used. You had all those consultations in Detroit; had even arranged to send Mr. Rose down to pretend he was a shirt salesman to see what the Provincial Police had up their sleeve. Do you say the only reason you did all that, because you did not want Gardner put out of circulation? Is that your evidence?

A. I think that is a darned good one, yes.

Q. That is your evidence?

A. That is my evidence.

Q. All right. Now we have that clear and you want me to accept it?

A. I think you should.

Q. I see. Well, I will tell you I don't.

A. That is your prerogative, sir.

MR. WILSON: Q. Did you set up a meeting between Miller, Rose and Hatch?

THE COMMISSIONER: Why hesitate?

A. Because you told me not to answer anything which I didn't know for sure, not to swear to anything.

Q. Then you don't know for sure whether you set the meeting up or not, is that

what you mean?

A. Exactly, that would be my answer.

MR. WILSON: Q. Mr. Rose has sworn here that you did set it up.

A. In what capacity had he sworn it? Could I hear how he ---

THE COMMISSIONER: As a witness.

MR. WILSON: As a witness.

THE COMMISSIONER: Under oath.

A. Miller I met once in my life. Inspector Hatch I have never met in my life.

MR. WILSON: Q. I didn't ask you whether you had.

A. Mr. Rose - how could I set up a meeting? I may have been present. I still hadn't suggested it. I certainly don't know Inspector Hatch and I don't know Miller. Mr. Rose I do know.

Q. All right, we will take it step by step. Mr. Rose in his evidence at page 4202 has sworn, as has Mr. Humphrey, that you were the source of a rumour to the effect that Inspector Hatch was looking for witnesses in connection with the trial of Finnegan and Gardner, and was willing to pay them out of the slush funds. Do you recall anything of that kind?

A. There was talk of it. I don't think I made it. I think Curly Gardner made it, but I think I have heard it. I couldn't

swear to it.

Q. Now, Mr. Rose at page 4195, line 23:

"Q. Coming back to this meeting "where this rumour about Hatch's "activities were discussed, what "decision was arrived at and what "action was taken?

"A. A decision was arrived at "that it might be advisable to "check this, to see if Hatch was "actually trying to obtain witnesses "in this manner. And, accordingly, "after some discussion it was "decided that, due to the fact that "McDermott had some person who was "in contact with Hatch, that - and, "also due to the fact that I was not "known, I had never acted for "McDermott or Feeley or any of the "- any club, or anything of that "nature, that I would pose as somebody "else. I would pose as a person "who was a member of the club who had "reason to have taken umbrage with "the operators of the club due to "the factthat something had occurred "there. In any event, I was mad at "the operators. And, to see or to "ascertain, if possible, if Hatch

"were doing the things attributed
"to him by this rumour.
" Accordingly, arrangements
"were made that I would meet with
"Hatch in the City of Detroit.
"As a matter of fact, this whole
"thing occurred in Detroit, the
"meeting and everything else. That
"I would meet with him in the City
"of Detroit and represent myself
"as a member of the club and discuss
"with Hatch the possibility of
"giving evidence and pretend that
"I didn't want to do so unless I
"were getting some benefit from it,
"to see if he, then, would offer a
"benefit or benefits for this
"evidence.
"Q. Who set up the meeting?
"A. I believe McDermott was
"instrumental in setting up the
"meeting."

A. He believes wrong. He has made a mistake. It was not me.

Q. Now, who do you say set up that meeting?

A. I don't know. I don't know either one of Miller or Sergeant Hatch.

Q. Well, you sat in inthese meetings?

A. On one meeting I believe.

Q. In the hotel?

A. I think it was only one meeting.

Q. What was it, the Statler Hotel or the Leland?

A. I wouldn't know what hotel. Whatever they say they probably ——

Q. Now, who sat in at the meeting that you were at ?

A. I don't - I couldn't start to tell. I think there was all the lawyers. There was quite a few of the accused, and I think we had a lot of them left. I am not right whether we had food at that meeting. That is seven or eight years ago and I didn't make notes of it and I didn't take particular notice. I am sure that the learned counsel could tell you.

Q. The learned counsel that were there were Messrs. Martin, Humphrey, Herman, Rose, Cohen and Allen - six.

A. I even forgot about Mr. Allen. I think that is right, yes.

Q. Did you pay the shot for all those counsel?

A. I certainly did not.

Q. Did you advance the money to pay them?

A. There was money that Mr. Finnegan had given me. He had made a win but he didn't want Gardner to know about it, and he gave me

some money at the time (I think it was a few weeks earlier than that) and he said, "Will you hold that for me?", and I think I did pay, give him some money two or three times, and I paid off some money that he asked me to pay off out of that money. Plus that, we took up a collection.

Q. Let us stick with the payment of the lawyers first. You are saying that you borrowed ---

A. I didn't borrow it.

Q. Or Finnegan - I am sorry, not borrowed.

THE COMMISSIONER: He said Finnegan had won some money and he didn't want Gardner to know about it and he gave it to this witness to hold for him.

THE WITNESS: Exactly, that is right.

MR. WILSON: Q. And you used that to pay some of these lawyers?

A. Finnegan asked me to, and that is why Gardner is mixed up at this time. Gardner was completely nervous; he was having illusions.

Q. That is the Finnegan who died a couple of weeks ago?

A. Yes, that is the same Finnegan.

Q. Now, in the course of your meetings in connection with the defence of this case, you had gone along, as I understand it, just out of interest in keeping Gardner in

business?

A. Gardner owed me some money. That was my main reason, that is the reason to the best of my recollection. That is what I have sworn to, that was my reason, but I might add I went to all gambling club cases including the Border City Press Club and listened to it.

Q. At the time you were in Detroit in connection with the defence of this prosecution, you had dinner with William or Billy Giacalone?

A. I believe he was present at the same meeting. I think that after the meeting was over a lot of the lawyers left, and it seems to me that they brought food in there, that we had food right there at the room. Then someone said - I think we went out, but it is eight years ago, and I couldn't swear whether we went out to a restaurant or whether we had dinner in the room.

Q. What do you know about Giacalone?

A. I knew nothing of Giacalone. I knew nothing of Giacalone. I did not know that Giacalone was, but I do now, that he was a partner with Finnegan and Gardner. Now the only one that I knew that he had, that was a gambler at their place.

Q. How did he come to be sitting at these discussions?

A. Not of my request.

THE COMMISSIONER: Q. Do you know how he happened to ---

A. I don't know.

Q. -- to be sitting in?

A. I wouldn't know, any more than I knew how Mr. Allen was - if he was a lawyer, or anybody else. I didn't push my way into it, didn't want to, but I knew Mr.Rose, I knew Mr. Herman.

Q. Oh, yes, we know that.

A. And that would be my reason for ---

MR. WILSON: Q. What part did Giancalone take in the discussions about the preparations for the defence of these charges?

A. I thought that he was charged, that he was one of the accused. Wasn't he one of the accused and they withdrew the charge against him?

THE COMMISSIONER: That was not my understanding.

A. It may not be. I cannot swear to that. I thought he was at the time.

MR. WILSON: Q. At the time you were under the impression that he had been charged, were you?

A. I think he was. Mr. Hatch is here. He could tell us.

THE COMMISSIONER: Q. Who told you in the first place about the raid and the arrest?

A. Mr. Gardner would call me and tell me.

Q. He telephoned you, did he?

A. I can't swear to that. I heard it from somewhere, but that is the logical place, eight years ago, to hear that this place was arrested, yes. I cannot swear to it, I called him or he told me. I might have heard it on the radio, but I know eventually Gardner told me and discussed it with me.

MR. WILSON: Q. How many times were you in Windsor in connection with this matter, or Detroit?

A. With the club, you mean?

Q. No, in connection with this prosecution.

A. Prosecution? Again, I can't pin myself down how many times. I wouldn't think I was there more than two or three times, or whether I stayed over a few days I would be only guessing.

Q. At least you spent several days in Detroit at these meetings, on December 10th?

A. There wasn't meetings, no. I don't swear to any meetings. There was one meeting there that all the lawyers were there, the accused were there.

Q. So you would not agree with Mr. Humphrey's way of putting it, that McDermott participated in the strategy discussions, and

he described you as the "master of ceremonies".

A. Dave - Mr. Humphrey - has quite a vivid imagination of things like that, and he colours it a little bit. I think I would be - the master? I certainly did not consider myself the master of ceremonies, any more than I was here today.

THE COMMISSIONER: What page was that?

MR. WILSON: Page 3729, in the evidence of Humphrey, also 3727 to 3729.

Q. We're told that the trial date was December 30th, 1957. You were down before that, just before that at a meeting with Gardner, weren't you?

A. I would only be guessing. I couldn't swear that I was or was not.

Q. Yes. Now,after the plea of "guilty" was entered by Finnegan and Gardner, did you have anything to do with his transfer from Essex Jail to Mimico?

THE COMMISSIONER: That is Gardner?

MR. WILSON: Q. Gardner, yes.

A. I don't recall that I did. I may have. He may have asked me to ask the lawyers something. I couldn't swear either way. If I did, I would tell. There would be no reason for me to say I didn't.

Q. Mr. Herman has sworn here that you were the one who gave him money to pay for Gardner's transfer to Mimico.

A. Quite possibly so. If Mr. Herman swore to that, it is probably true.

Q. And after he got to Mimico, Gardner contacted you, didn't he?

A. No, I don't think he contacted me. I think I went up to visit him.

Q. Did you employ a lawyer or lawyers to try to get him out of there?

A. I don't recall that I did. I think he was sending special letters out to lawyers and asking me to have everybody - and phone his family and do everything. The man had a complete nervous breakdown and he was deathly afraid that he was going to die in jail.

Q. And you and Feeley paid both the Finnegan and the Gardner families so much a week while the two were in jail?

A. No, I wouldn't say there was any specific thing set out at all, just what Finnegan asked me to send, if he would ask me to send so-and-so - "Send my wife", but I cannot swear if I did send it or if I didn't. I think I sent Mrs. Gardner something that Frank asked me to. There was no set regulation or anything. If he called me and asked me to see him and said they didn't have the rent money or the bailiffs were due or anything, send her a hundred dollars or do something --

Q. Then in May '58 what part did you play in the payment off of a mortgage of

about $5,000 on Gardner's property in Windsor?

A. At the time of the court case that wasGardner's biggest worry, that there was a mortgage and he would be all right and he would feel better if he hadn't gambled that money away. I had $7,000 that Leo had given me, between five and seven, that I held for him which Finnegan - I asked Leo about it: "Do you want to pay up for him?". He said, "Go ahead and pay it up but don't let him know because" he said, "he will pay you back but he won't pay me." That is how that got paid up.

THE COMMISSIONER: So the money used to pay that off came from Leo Finnegan?

A. Yes.

Q. And the money used to pay the lawyers came from Leo Finnegan?

A. Plus a collection we took up because Gardner had no money.

Q. Were you making any efforts to get Finnegan released from jail?

A. Had he requested it ---

Q. I said, had you made any efforts to get Finnegan released from jail?

A. I don't honestly remember whether we did. I would think the same plea would have been put in by him for the lawyers to try, I don't recall - not as much as Gardner because Gardner was in awful shape, he was a

sick man.

MR. WILSON: Q. What would the "same plea" be?

A. To ask the lawyers to ask for clemency for the sick man.

Q. Was Finnegan sick too?

A. There was a due process of law anyhow, whatever it was.

Q. Due process of law?

THE COMMISSIONER: Q. Was Finnegan sick?

A. Was Finnegan sick? No sir, not that I know of.

MR. WILSON: Q. In September of 1959 did you contact Gardner when he came to Toronto to see Sergeant Anderson?

A. I don't recall contacting him. In 1959?

Q. That is right.

A. 1959. I wouldn't recall if I did or not.

Q. It was in the latter part of 1959 that Gardner made demands of Peeley and yourself for money, didn't he? He made threats to you?

A. He wanted a boat, yes.

Q. He wanted a boat?

A. Yes.

Q. What kind of boat?

A. A boat to go up and down the Detroit River and that he was going to gamble in,

and he thought that all the gamblers should help him and give him some money to get this boat.

Q. Did he make threats against you if you would not give him money?

A. The man was a complete nervous wreck.

Q. I am asking you whether he made threats?

A. Did he make threats? Yes, I think he did.

Q. Didn't you have Herman go to the C.P.P., to Assistant Commissioner Kennedy to discuss that?

A. Yes, yes, that is correct.

Q. What kind of threats was he making against you?

A. Said he was going to bomb all the gamblers.

THE COMMISSIONER: Did you put Bailey on his trail?

A. I did not, sir. I didn't take him too seriously at all. I thought that he should be - someone should talk to him of authority that would see his condition and not put too much stock into it.

MR. WILSON: Q. What reason would he have to threaten you?

A. Because he was a sick man.

Q. That is the explanation, eh? Now,

I think you have told us you had an interest in the Finnish Club. What about the branch of the Tisdale Club in Peterborough, did you have an interest in that?

A. I did not, sir.

(Page 10610 follows)

c/ADO'N/1

Q. Did you have any connection with it?

A. I have been in the club and gambled in the club, sir.

Q. Did you have any affiliation with it?

A. Affiliation? Affilitaion to the point that I gambled in the club.

Q. Well, Gebirtig, Mr. Gebirtig was quite close to you, wasn't he, over the years?

A. I wouldn't think he was close. He was a counsel who handled chartered clubs.

Q. But you used him off and on over the years, from 1954 on?

A. I don't -- I may have hired him, yes. He may have acted on occasions.

Q. You went on trips with him?

A. I don't think I went on trips with him. I may have met him there. There was some dispute whether I met him there or went with him on that fishing trip.

Q. He has sworn as to the Tisdale Club, you and Feeley were the moving spirits behind it. That is page 401.

THE COMMISSIONER: What page?

MR. WILSON: 401.

Q. What do you say as to that statement?

A. I don't know exactly how Mr.

Gobirtig meant it when he said "moving spirits", whether he meant I was gambling or conscious of the gambling clubs that were going on and the gambling clubs were operating, and whether I was interested in any prosecution of the gambling clubs or appeal cases. I think he meant I was part and parcel of the organization or I had anything to do with the management. If he did, he was mistaken. On my solemn oath I swear I was not a partner.

Q. In the period from January, 1957, when Harrington and the rest of them were prosecuted, were you often in the Tisdale Club in Peterborough?

A. No, I wasn't. I think I was there on two occasions, three occasions at the most.

Q. He wouldn't get that impression that you were a moving spirit because of your attendance at this club?

A. No, he wouldn't.

Q. It must have been for some other reason that he came to that conclusion?

A. It wasn't a rational conclusion.

Q. Did you ask Humphrey to act for the defence of Harrington, Horton and the rest of them, after the prosecution?

A. I couldn't swear if I did or didn't.

Q. He swears that you did.

A. Then I must have, then.

Q. Why did you do that?

A. I imagine because Harrington asked me who did I think was a good lawyer on gambling charges, and I don't think there is any finer, and I still think he understands it thoroughly and would have him again.

THE COMMISSIONER: Q. You still have him?

A. No, Mr. Rose is acting.

Q. Oh, but hasn't Humphrey been advising you?

A. I don't believe.

Q. You don't believe. Search your memory as to recent events?

A. You tell me exactly what they were.

Q. I am not telling you what they were, I am asking you, and you answer me under oath, too.

A. It's escaped me if he has.

MR. WILSON: Q. Now, we have had reference to the Parkdale Recreation Club in St. Catharines, a member of that club being Thomas Holt and Taube and a number of others. Did you ever have any negotiations with those two gentlemen or anybody else leading to possible affiliation with that club?

A. I think I played in the place. I played poker in the place on one or two occasions. I know both of those gentlemen

to say "hello" to. I have had no dealings with them that I can think of.

Q. Now, George Scott, in his diary and in his evidence, has told us that the "thieves", being a name that you were known by in these circles anyway, and Feeley and Ryan and yourself were definitely going to have an interest in the gaming house in St. Catharines. Now, in view of that statement or evidence of Scott, do you still deny you were trying to get an interest in it?

A. I deny that in its entirety.

Q. Oh. Now, what about the Jordan Chess and Bridge Club? What was your affiliation with that club?

A. I was a member there. I spent a lot of my time there. I was offered a percentage for $4 a piece of the place on a number of occasions. I was going to take a piece. I promised Bobby McLaughlin that I would take a piece, but when he started to book the horses -- or to baseball and sports, I didn't want it because there is only two teams and there is only the element of one team or the other winning, and with horse races you have six or seven or ten or any number, and any one of them could win. And the element of sports, I don't want to book. Other than that, I wouldn't say I

wouldn't have taken a piece. It was a beautiful piece.

Q. You knew McLaughlin, I take it?

A. Yes, I knew him. We had a falling out towards the end, before he passed away.

Q. Riggs has sworn in his evidence at page 4440 that some of the partners in that club were Midgely, McLaughlin, Feeley, yourself and himself. You say he is wrong in that?

A. Yes, he is wrong in that. It is quite logical he would have thought that because I was around there all the time. Maybe McLaughlin even told him that. Maybe he wanted him for a partner and that is why he told him that. We had a reputation, if we owed anybody money, they got paid, and in the gambling game, if you pay off people that you owe ——

Q. Now, is this the kind of operation where one partner wouldn't know who his other partners were?

A. Oh, if McLaughlin was in charge, he would be the only one who knew who he sold pieces to or who he gave pieces to. Him and Mr. Downs.

Q. Why would Riggs suggest or swear that you and Feeley were partners in that operation?

A. I imagine he thought that we were.

Q. Did the partners ever get together in an operation of that kind?

A. We had partners out at Cookeville. You would not get them together too often.

Q. I am asking you about Jordan, now.

A. I didn't get to go too often. I was in there in the day time and playing cards. A lot of times I would be downtown and I would go in there. It is quite logical he would have thought I was a partner.

THE COMMISSIONER: Just because you were there?

A. Yes, I was there pretty well every day.

Q. Just because you were there? By the mere fact that you were there frequently?

A. Yes.

Q. Is that what you are saying?

A. Yes, that is what I am saying, plus the fact that probably McLaughlin told him I was a partner. I was going to be a partner. I had every intention of being a partner. In fact, Bobby named a figure of thirteen or fourteen thousand dollars and I said, "Put me down", but I never gave him the money and I backed out of it and backwatered completely out of the place and I told him they would lose money

with sports. Nobody can make money on sports. Nobody is smart enough to set the odds on sporting events.

Q. Did you, as Riggs swears, finance the operation in whole or in part from time to time?

A. Of what?

Q. Of the Jordan Club?

A. I did not.

Q. You didn't finance any part of it at any time?

A. I said I had promised Bobby I would put in thirteen, fourteen thousand, I think it was, to take a piece, but I backwatered when he decided ---

THE COMMISSIONER: Q. You have said that two or three times.

A. That is what he was asking me.

Q. No, he isn't askingyou that. You pay attention.

A. I am doing the best I can.

THE COMMISSIONER: Well, do a little better.

MR. WILSON: Q. Did you ever finance in whole or in part any of the operations of that club at any time?

A. Did I ---

Q. Well, you know what financing is.

THE COMMISSIONER: Q. Do you understand the question?

A. Of my own money? No, I didn't.

MR. WILSON: Q. Your own money or with Feeley and yourself?

A. No, no.

Q. Or did you put anybody else's money into there?

A. No, I did not.

Q. Maybe you were not acting as a front for somebody else on that operation, were you?

A. On that or any other place.

THE COMMISSIONER: Q. Why did you ask Mr. Wilson if he meant your own money?

A. I didn't understand the question. He repeated the question two or three times and I think it is the same question.

Q. It is the same question and you only answered it once, and you answered it only after you said to him, "Of my own money?" Why did you ask him that? Were you differentiating?

A. It was fourteen thousand I was going to put up, but I didn't put it up.

Q. Were you differentiating what you were financing with your own money and somebody else's?

A. No, I was not.

Q. Why did you answer "with my own money"?

A. I have been standing here for two or three hours and my mind is a blank.

Q. Oh, we don't want that to happen. We better have a recess.

A. Fine, thank you.

---A short recess.

---Upon resuming:

MR. WILSON: Q. Now, you say you had some dealings with R.J. Wright when he was a constable on the O.P.P?

A. Did you say I said that?

Q. I think you did, yes?

A. You tell me where I said that and how I said that.

Q. Right in the witness box. Never mind, we will put it another way. When did you first talk to R.J. Wright?

A. I probably talked to him a number of years ago when he raided the clubs. I can't tell you what year it started, what year I ever talked to him.

Q. That is where you first got to know him?

A. I would think it was, yes.

Q. And when did he first start to telephone you?

A. I think it was around the time he was transferred.

Q. That would be around January of 1960?

A. Somewhere in there. I haven't

got the dates but whatever the dates were that he says he started to call me. I didn't make notes of it.

Q. Just tell us now what your first contact was. What did he have to say to you?

A. He called me, I believe he told me who he was. I was in my home. He called me at home. He said he was an O.P.P. officer and was on the gambling squad. Did I know who he was. Verbatim, I can't tell you, I am just saying roughly. This is a long time ago. I have had a number of conversations with him.

Q. Let us get the starting of it. What he had on his mind and what you agreed to or didn't agree to?

A. He called me and said he was transferred and did I need any help. And I laughed and kidded with him and said, "Oh, go on, this is a lot of nonsense. What is this about?" And he said, "No", he was in earnest, that he was -- he could give me information. I told him, "well, I don't need any information".

Q. Why wouldn't you need information?

A. I didn't need it. You didn't need any information. Never needed any information.

Q. You are speaking now of police information?

A. Exactly.

Q. Yes?

A. There is no need. I have never gotten any information. His was of no advantage to us and there was no doubt in my mind at the time, this had something to do with the cancellation of the charter. The charter was under review for cancellation at the time. And I done the only thing I could, and if I had to do it over again, I would do the same thing. I went to my lawyer and told him about it.

Q. What lawyer was that?

A. The club lawyer, Louis Herman. I told him an officer was calling me and said he was an officer and he suggested, well, they are investigating the charter for cancellation, and that, I knew. And he said, "Jolly him along. Jolly him along", and I followed his advice.

Q. That was, say, in January, 1960?

A. Whenever he started to call.

Q. Was it after he had moved to Belleville?

A. I couldn't say whether it was before or after. I didn't keep the date, and to go back that far I would be only guessing.

Q. Well, then, after the first conversation, how was it left? What was he

going to do?

A. He was going to do nothing. I laughed at him. I told him to go back to whoever told him, to tell them I didn't need any information and this is a lot of hocus-pocus. I gave him the same argument I gave you to-day, that it was a bona fide social club and what we were doing out there was legal, and as far as I was concerned there was nothing he could tell me. I didn't want to know when the police were coming. He said he could tell me when the police were coming and if I wanted to get the doctors and lawyers and professional people out of there, I would be able to. I said, "There have been professional people there before when the police came." And the night Scott said there was a tip-off to get the doctors and lawyers out of there, there was a doctor there that night.

Q. After your first conversation with Wright, I have a summary here, which shows phone calls from Wright to your number. Did you hear from him again?

A. Oh, I heard from him. I heard from him on a number of occasions. We talked on countless things.

Q. Yes?

A. Politics, religion, sex. We talked for hours on everything. There was

no doubt in my mind at the time he was taping it or recording it for evidence to be used against the club.

THE COMMISSIONER: Q. This is Wright you are talking about?

A. Yes.

MR. WILSON: Q. Wright. And did you, on any of those conversations, get any information from him about raids that were about to take place?

A. Oh, nothing that ever proved to be true. A lot of nonsense of which there was no doubt in my mind this boy had been brainwashed. Well brainwashed. He told me he had concrete evidence.

Q. Of what?

A. Of graft and corruption to keep these places open. I told him that is a lot of nonsense and I told him on more than one occasion, "If you keep this up there will be a Royal Commission on this gossip", and this is what we have got to-day. And they have got me on tape telling me him that. Gossip. Idle talk, he picked up at head-quarters.

Q. And after your first contact, about how many times a week would you say he called you up and the time he was arrested?

A. I would only be guessing on that. Probably the record shows.

cc/3

Q. The record does show. What is your best recollection?

A. Two or three times, maybe five times. Sometimes I wasn't there and sometimes I was there. If I was outside or down the cellar working, he would call me to the phone from the workshop and I would come up and hear a lot of nonsense. And by this time I was curious and trying to figure out what are they trying to do to cancel this charter. What limits are they going to go to?

Q. And after these calls you would get from Wright, would you then call, on many of the occasions, to the Fort Erie Club?

A. I wouldn't think so. His phone call would have nothing to do with me calling the Fort Erie club or any club, because he never gave me anything. I didn't want it. He never offered it. He told me he was going to tell me this and he was going to tell me that and lots of prophecies, but none of his prophecies ever bore fruit.

Q. So that if the pattern of calls shows that shortly after Wright would call you, you would call the club at Fort Erie, that would just be coincidence?

A. I wouldn't say it was coincidence. If I was in the workshop, working down the

cellar, or I was outside and called to the telephone; after I finished making it I would probably make a number of calls or I would make a call. I don't say I always called these clubs. Some of these calls might have been Ginsey's or Feeley's or any number of people using that line. Any gamblers.

Q. You say Wright told you there was corruption in regard to operations such as yours?

A. Yes. He said there was graft and corruption. He stillbelieves it. He is in the Don Jail now and still believes it.

Q. Why would he tell you, one of the operators of the Centre Road Club, that that was the case?

A. At that time I didn't know why. Now I do. He thought he was going to worm his way in and learn all about this graft and corruption that Constable Shrubb had told him about. Plenty of it stayed in the boy's mind, and through the years it grew and the gossip got worse and little inferences that meant nothing, without hearing it once, he picked them up and it made a whole picture to him.

Q. Who did he suggest you were corrupting in order tomaintain your operations?

A. Everybody in the government. He couldn't understand how the club could

operate and he couldn't understand why we had a charter. I went over it like I did with you. They had no license to take it away from us, and that fifty gamblers could get together and apply for a license and get one.

Q. If that was his attitude, why did he phone you as often as you suggest and give you further information that might or might not be helpful to your operation?

A. He would give me information? It was a lot of mystery. And when I told him I wasn't interested any more, that I am in mining, he was going to get me a road for the Duck Lake property, that his uncle or somebody was on the Department of Highways and he was going to get me a road in there. And I couldn't understand that, if this investigation was going to go on, what they were trying to prove.

Q. Now, in Wright's evidence at page 5060, he said he told you he was on the Anti-Gambling Squad and could be of help to you, and that he could give you information on the policy of the Anti-Gambling Squad. Now, is that so or not?

A. He told me all kinds of things. I couldn't possibly remember all the things he told me.

Q. Did he tell you that?

A. I don't know. I am not going

to guess he told me that.

Q. Do you swear he told you that?

A. I am not going to swear he did or he didn't.

Q. Well, did you know, at the time he first contacted you, whether or not he was in fact still on the Anti-Gambling Squad?

A. I wasn't sure if it was even Wright. I wouldn't know him. I wasn't sure if he was on there or he wasn't on there or whether it was even Wright. There was no doubt in my mind it was a laid-down plan to get me into trouble. That is why I went to my lawyer, went to the club lawyer and told him about it, and he said, "Jolly him along." That is what he told me. That is the advice of the counsel. "He can't do you any harm. You are in your own home and your home is your castle and you didn't solicit him, he solicited you."

Q. Did he ever ask you for any money for all these calls he was making to you?

A. He knew better.

Q. He knew better?

A. He wouldn't get a quarter off of me.

Q. Did your lawyer suggest that possibly if this lawyer was contacting you in this way, and it was as you now say, an

improper act on his part, that possibly it should be reported to the O.P.P.?

A. The only advice he gave me was, "Jolly him along." I think he gave that evidence here. I read it in the paper.

Q. Are you saying that Louis Herman knew about all these calls you were getting?

A. No. I got tired of telling him about it.

Q. How many calls did you tell him about?

A. These first two or three calls I received, I went down and reported it to him.

Q. Tell us, as best as you can recollect, what you told Herman about these calls?

A. Feeley was with me. I don't recall. I said, "There is a fellow who says he is a police officer calling my house. He says he is going to give me information about gambling raids and says he is on the O.P.P. What do you make of it?" He said, "The charter is up for cancellation up there and they are probably doing an investigation on it." He said, he told me to jolly him along and find out what it is all about.

Q. When he first called you, I believe your number was Crescent 8-3783. Would that be right?

A. I had two telephones in that house.

Q. Was Crescent 8-3783 one of them?

A. If the record shows that it is, it probably is.

Q. This is what Wright says.

A. I don't recall. It is not my number now.

Q. When did you change your number?

A. Some time ago.

Q. Did you change it because Wright was calling you?

A. No. It was after that that the number was changed. It was after when everybody -- there was all kinds of calls coming in. It was an unlisted number, but Wright and them managed to get it. Scott got it. It wasn't hard for an S.F.P. officer to get any one's telephone number if he wants it.

Q. About April of 1960, towards the end of April, 1960, you started to get calls from George Scott, didn't you?

A. At that time I am not sure whether I knew who it was. Wright had told me: "I am going to have my partner call you", or something to that effect. It didn't register much on my mind at that time. I thought it was just part of the program.

Q. He explained to you, did he,

that he was going to have his partner, Scott, call you after that date?

A. I think he said "partner". Or whether he said his buddy, I don't know. I didn't make a note of it. And again, once again, you are asking me to swear to something I am not exactly sure how he worded it. I didn't make notes of what they said.

cc/4

Q. Did Scott call you up and carry on the type of conversation you say you had with Wright?

A. Not on my behalf, he certainly wouldn't. I made no arrangement to have anybody else call me. I told him, "What is all this about? I know you are doing a report. What are they trying to do here? You know the club is legal out there."

Q. At all events, when he said from April 27th on, my partner Scott would call instead of himself, you didn't object to that?

A. I don't think he tied it down to the date or anything. Just said he was going to be busy and some one else was going to call me. As I say, I didn't make note of it. I can't swear exactly what it was.

Q. And there came a time when you heard from Scott instead of Wright. What kind of information do you say Scott gave

you after he started to phone?

A. A lot of gibberish, a lot of the same type of thing. Everybody was graft and corruption and these clubs were open and he knew how these places operated and that is how they had been operating for ten, fifteen years, and he knew all about it and Shrubb and them knew all about it and they had concrete proof of graft and corruption in high places. I told him, "You'll get in a lot of trouble, that you are an officer -- I don't know if you are an officer but you should stop them." I told him on tape, "You'll have a Royal Commission." And he went into a lot of talk that he was a socialist and this country needs a lot of socialism and he believed it to-day. He wouldn't answer me in his evidence when I asked him, "Are you a socialist?", and he told me it was none of my business. The overthrow of the government, that is what he believed in and he is doing a pretty good job.

Q. You allowed him to call you night after night to talk this gibberish, as you put it?

A. How could I stop him?

THE COMMISSIONER: Q. Just hang up.

A. I think my wife did, and I did on occasion, and a lot of times I never

accepted their calls. On one occasion when he phoned me, I said, "I have already got that information." So he wrote down in his book that I said, "I already got that information, the Commissioner told me." I thought when he put that in the book, that would stop it, but instead of doing that, he took out the Commissioner and put in Jimmy Bartlett's name, who he was after. If he went to the Commissioner and said, "You told him about the raid", that the jig was up then. And that is the gospel truth. And he never knew he would have to appear on a conspiracy trial, Scott and him, where all this would come out. They put down what Shrubb told them in their books what they had heard that appears down there. Gossip. No foundation for it. The club is run and run legally.

MR. WILSON: Q. Are you swearing Scott never gave you any information about raids?

A. Scott never gave me any information about raids and I told him I didn't need that information, and I think one or two -- at the time I didn't even pay attention to it, but I think one or two of his raids, on two occasions, it turned out to be true, out of the whole darn thing. I think. I am only guessing. You can go over the record. He told me of one of the raids, that they were going to raid the

Cooksville club, and the raid did take place. A doctor was there, and it was the only night they found a set of dice and everything else. But John Anderson's evidence was there was tip-offs. There was no difference at the club when there was tip-offs and when there wasn't tip-offs.

Q. Did both Scott and Wright tell you or give you information that there was going to be no raid that night?

A. Yes. Wright preached that all the way through, there would be no raids, and there was lots of raids. I would tell him, "You got bum information." He would say I have got the truth and if you don't want to cut me in and all this. The two boys thought they were doing the job. Scott and Wright thought they were doing the job they were sent out to do. A cloak and dagger operation.

Q. So over a period of months you went along with this program?

A. Jollied them along.

Q. Why would you think it would be better for Scott to put Bartlett in his report rather than the Commissioner?

A. I din't know at the time, but I knew after, at our trial, if he ever went back to the Commissioner and said to the Commissioner, "McDermott said you told about

the raid", he would say, "Stop the investigation. There is no truth to it. McDermott doesn't need this. He knows the jig is up." He is smart enough to do that.

Q. Why wouldn't the Commissioner take the same attitude towards the name "Bartlett"?

A. Maybe Mr. Bartlett didn't know what was going on down there. Maybe he didn't know about the investigation. You would have to ask him if he knew. Did Scott go in and say, "See here, Assistant Commissioner, they put your name in it. Is that true?" Did anybody confront him with it? And he would say, "No, it is a dastardly lie." Or anybody mentioned in it should be denying it and stopping it and nipping it in the bud.

Q. You had met Bartlett, of course, prior to this date?

A. On one occasion.

Q. Are you sure it is only one occasion? I want you to recall this very carefully. I don't need to tell you, you are under oath.

A. I understand it. To the best of my knowledge, I met Mr. Bartlett on one occasion, unless I have met him somewhere when I didn't recognize him or unless he was on a raid or unless I met him in

company somewhere.

Q. Now, you just tell us about the occasion you met him?

A. Feeley, my partner, I accompanied him to Mr. Bartlett's home. He was to get a letter or a recommendation for ~~a~~service station. Feeley had been told that Mr. Bartlett was the public relations man for the Ontario Provincial Police and that his recommendation would hold weight to get a service station on 400. I am not sure if it was 400 or 401.

(Page 10635 follows)

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A. This was something that Feeley was doing, yes, and I was going with him.

Q. Why were you going along?

A. Because I was his partner.

Q. Yes?

A. And I guess the fellow was embarrassed going up there alone. I know I was damned embarrassed, and I was more embarrassed when it was over.

Q. And what embarrassed you?

A. Just the cool reception that we got.

Q. And at that meeting with Barlett, was there any discussion about whether or not there was any change in the instructions being given to the anti-gambling squad?

A. I know when we went there I was very embarrassed, and highstrung for being there, I did not feel that we should be there, not at his home. Feeley had gone there on instructions from Chrubb. And, was there that discussion, I couldnot swear. I don't think it was ever said. If I did say it, I never heard myself say it, and if Feeley said it, I don't know. I don't know why I would go into a man's house, that I had never known before, and ask him if there were any new instructions.

Q. You were so highstrung, that if you said it you did not hear yourself say it?

A. I swear that I don't ever remember saying it.

Q. Bartlett has sworn that you did ask about that.

A. Well, he is an honest man, and if he says I said it, then I don't think I said it.

Q. Why the emphasis on the fact that he is an honest man? What did you know about that?

A. I know that I never left any money in a flower pot, or he never gave me any tip-offs, or that I paid him $800 a month, or any other money.

Q. You are sort of getting ahead of me. You are talking about a flowerpot. Now what do you know about that?

A. I have been reading it in the newspapers, and hearing it on Gordon Sinclair's program, and I never left any money in any flower pot, and never got any money back.

Q. Your honourable friend Riggs turned the money over to McLaughlin for yourself and Feeley, according to his evidence. Was McLaughlin an honourable man too?

A. I always thought that he was.

Q. So you think, if Riggs turned the thousand dollars over to McLaughlin for Feeley and yourself, that McLaughlin would have turned it over to the two of you?

A. Unless it got waylaid, or something happened to it, or he knew something about it. I cannot read his mind. I don't know that. I never got the money. I am speculating again on what happened.

Q. He was very much alive at that stage?

A. He was a sick man at that stage, too.

Q. A sick man, was he?

A. Yes, he had cancer for quite a few years, and he wasn't himself.

Q. He wouldn't do Feeley or yourself out of one thousand dollars?

A. Not intentionally, I don't think he would, no.

Q. Now I want you to search your memory - after the meeting at the Bartlett home, did you not have a further meeting with Bartlett?

A. Not that I ever recall.

Q. Do you swear you didn't?

A. Not that I ever recall.

Q. I asked you whether you swear you didn't?

A. I will swear that I don't recall having one. If I had one, if I had met him, I don't recall meeting him anywhere.

Q. We have heard, speaking of tape conversations, we have a tape of a

conversation Scott had with you on May the 10th, which is Exhibit 190. I see that a transcript of that runs about eight pages. Is that typical of the length of conversations you had with Scott and Wright?

A. I haven't seen it. Can I look at it?

THE COMMISSIONER: Yes. Show him Exhibit 190.

MR. WILSON: Yes, show him Exhibit 190.

THE WITNESS: Yes, I think his evidence was that this was - and it would be the same, that this was the line of gibberish.

MR. WILSON: Q. In other words, you say ---

A. Some truth, and some fiction; 90 per cent fiction.

Q. So, I say when we look over that transcript, that there was discussion of Bobby; who was Bobby?

A. A fellow he told me - Bobby Wright.

Q. Bobby Wright - that was the one you had been talking to for some months on the telephone?

A. Yes.

Q. And who was Carmen that was mentioned in this conversation?

A. One of the officers that they asked that -- that they brought his name up on numerous occasions, and went over the squad, one by one in detail, trying to seek

out who the evil one was. They knew there was an evil one, and they were trying to find him.

Q. Carmen Lawrence, would that be the one?

A. I would think it was.

Q. And then you talked about Cronin, I see, in that long conversation?

A. And you will see that I defended him and said that it was all gossip about him being a bad guy - gossip.

Q. And in talking about Shrubb, you said, "Of course everybody has a different idea of right and wrong"?

A. Right.

Q. And, I guess that is part of your philosophy, isn't it?

A. I think it is the truth, yes, and I think everybody has, don't you? I am sorry.

Q. And then on page 9 of this you say --

A. You will find on there where he says he is a Socialist.

Q. Well --

A. And you will find on there where I told him that Cronin is a lion-hearted man - that he is a lion-heart and that when you get pinched you know that he never coloured his evidence, and he was the only one who never

pinched Cooksville, that is how honest he was.

Q. Then on page 7, I see that you are reported as saying, "I think Laurence is pretty sensible" -- and then there is a word missing -- "Lamorie".

A. Yes.

Q. How do you know Laurence was pretty sensible?

A. A lot of gibberish. When you wade through that there is a lot of words that are left out, that is why they are left out - at the end of the conversation where they don't want you to hear it, it is all jumbled, but when anything that is good and helpful, it is as clear as a bell.

Q. Did you not have any way of knowing that Laurence was sensible or not?

A. No, no way at all, only from what they had told me.

Q. But you were quite prepared to say that he was sensible?

A. It was a question of the hounds and the fox for ten years, and I was jollying them along.

Q. And did you have the same rather view of Lamorie?

A. I had the same view of them all, that they were all sensible, all with the exception of Shrubb.

Q. Now here is a statement at the

top of page 6 which you are reported as making, line 1, "but listen bear this in mind - here's the big thing, if somebody of the three guys ever gives in, everybody's gone and it's a damn serious offence.

"Scott - Yeah, I know that.

"McDermott - It's not, listen all "the money in the world doesn't "compensate - I been in this game "too long, I don't want any trouble "now. I don't want no three officers "getting up and saying, 'Oh, yeah, "that's right.' What if there "is a Royal Commission on gambling."

A. There you are.

Q. "Here's the thing I dread. "This is the worst thing that "could happen. To have a Royal "Commission and they call everybody "up, one at a time, on their own."

Now, what was your concern about a Royal Commission?

A. I was explaining to them that I didn't want to do any business. That this was going to happen, and this was what happened, and this is what was going to happen. It was a hypothetical case to show those lads if they were in earnest, which I did not believe, how bad it was, and not to do it. It is a complete denial of everything that they

asked me to do.

Q. Who were these "three guys"?

A. The hypothetical case he put to me, and if he had three fellows in there, why be interested.

Q. Were the three guys you were talking about in this conversation Wright, Lawrence and Lamarie? Isn't it clear from a reading of this transcript?

A. Not to me it isn't clear at all.

Q. Who were the three guys you were talking about, at the top of page 8, when you say:

". . . if some one of the three guys
"ever gives in, everybody's gone
"and it's a damn serious offence."

A. Wright, because at that time Scott had said to me, well, would you be interested if we had another fellow and I told him no, if there is three fellows there, and if fellow on the Royal Commission gives way, the way you fellows are talking about graft and corruption, and that is what keeps these places open, these people are -- if you ask them right now, they will tell you this Royal Commission is nothing but a whitewash, and that is what Shrubb will tell you, just a whitewash.

Q. What could any one of these three guys give in? What do you mean by that?

A. I wouldn't do that, I don't need to do it, and never done it.

Q. Never mind that, what could they give in, what could they give in?

A. The truth that anybody was doing business, that is what they would give in. If I was doing business with anybody, and I was called to swear that I would have to tell the truth, I am not going to get 14 years for lying, that is what I mean, and that is why I am telling the truth today, and that is why I never done business with a policeman or anybody else.

THE COMMISSIONER: Let us stick to the transcript.

MR. WILSON: Q. Well, I don't understand, "if some one of the three guys gives in, everybody's gone and it's a damn serious offence".

A. Which it is.

THE COMMISSIONER: What is a "damn serious offence"?

A. Whatever that referred to, I would think it would be referring to paying officers, or any information that they were going to give me, they are soliciting me. He asked me to sit down and talk to him, and I told him no, that I was not going to sit down and talk to him. "I will never sit down with you". It is a denial. If you want

to read it, if you pick pieces out and twist it around a little bit, it is damaging, it is like an iceberg.

Q. Show it to the witness, Mr. Wilson, I am not able to follow. Have you got a copy?

MR. WILSON: Have you got a copy?

THE WITNESS: There is two here.

THE REGISTRAR: No, they are separate ones.

MR. ROSE: Have you any extra copies?

THE COMMISSIONER: What page is that, Mr. Wilson?

MR. WILSON: It is at the top of page 8. I think you will have to go back.

THE WITNESS: Here it is right there, he is making a proposition.

MR. WILSON: Q. I am speaking at the moment ——

A. I am sorry.

Q. You will have to go to the back, at the bottom of page 7, about the last three or four questions.

THECOMMISSIONER: All right. He has it now in front of him, Mr. Wilson.

MR. WILSON: Very well.

Q. Isn't this about the time that Scott was putting to you that there was trouble having Wright in on the one hand, and Lawrence and Lamarie on the other hand, and it would

probably be better to have an alliance?

A. This was May the 16th, six months after all phone calls. This is what the conversation was.

Q. Answer my question.

A. What is the question?

Q. Is this about the time that Scott was putting it to you that there was going to be trouble if you were going to have Wright, and he, working on the one hand and Lawrence and Lamorie on the other, about giving information?

A. I don't know anything about that. This is - he put hypothetical questions to me all the way through, and so did Wright, and so did I, and this is one of them. He says here, "Well, it could be ~~putting~~ pooled." He goes over the squad one by one, trying to find out - he must have a leak somewhere, he must give information, and he gets a denial and a refusal.

Q. Well, on page 8 about half way down, "Scott - Yeah, well there's a lot of things to consider. An alliance possibly, you'd have to sit down and thrash it out and you'd have to swear to hell that you --

"McDermott - I'm glad I'm not sitting "down. I'm never going to see Lawrence "face to face or anybody else --

"I'm doing my talking on the telephone."

A. I was talking at the time that

pooled

was made.

Q. Yes, and were you doing your talking with Lawrence on the telephone too?

A. The only officers that I know --

Q. I am asking you whether you talked to Laurence on the telephone at that time, or any other time?

A. Never in my life that I know of. I talked to him at the Royal York Hotel, and asked him to be a witness in my case, that is when I talked to him, and he told me ---

Q. Well, this is May the 12th, 1960, before Wright was arrested. Now, if we go further down the page we see this:

"Scott - Well, we'd have to include
"the other fellows too -- . Have
"you spoken to Carm?"

Now, you told me that Carm was Carmen Lawrence, and,

"McDermott - Yeah,
"Scott - You have eh?
"McDermott - Yeah."

A. You could not possibly get the truth out of that, half of the sentences are missing.

Q. When you state here that you have just spoken to Carm, is it true or false?

A. It would be false, I never talked to Carmen Lawrence that I know of, and half of those sentences you have there, the balance is left out deliberately.

Q. What about when you say on this conversation that you had spoken to Carmen?

A. A hypothetical question all the way down that he had been putting to me, about who on the squad I have been talking to or if I had done business with this man, or if I had done business with that man. I was jollying him along all the way on the advice of my counsel.

Q. Let us go on with it. And, it says:

"Scott - Well, that's good because
" at least I know where we
" stand.
"McDermott - Yeah, but bear in mind that
" I didn't know whether
" this was all a trap or
" what the hell it is.
" I've been biding my time,
" through that guy over there,
" Sam Nelson -- this guys
" at a pay phone -- Sam
" Nelson says call this
" number and the guy will
" answer the phone and you
" can talk to him, which I've
" done ---"

Now, just tell me what that means, that answer you gave?

A. They told me that Sam Balsom had information. I knew Sam Balsom, I talked to Sam Balsom. He told me no, I have no information. This is six months this conversation. This conversation is taken six months after I was supposed to be doing business, that was two weeks before we got arrested, and he is still - I still never met him face to face. I never met him face to face, and never sat down with him, and never gave him a quarter. And, he is putting a hypothetical question to me to get me on tape, and this is the best he can do and plus that, half of the sentences and half the words are left out and we are supposed to draw conclusions from what they were, and that is three years ago. How do I know what they meant, or what they were talking about? I never done business with any of them.

Q. It says:

"Sam Balsom says call this number

"and the guy will answer the phone

"and you can talk to him, which I've

"done".

Now, did you call the guy, Sam Balsom, and tell you to call him?

A. He never told me to call anybody. That refers to Sam Balsom. I called Sam Balsom but he knew nothing about it.

Q. That was before the arrest, if I

remember, this is the 12th of May, 1960, and you are saying that you called the number and spoke to the guy, as Sam Balsom directed you?

A. A misunderstanding. This is the transcript from the tape. If you want the tape, hear the tape and draw your own conclusions from the tape.

Q. I heard the tape.

A. I have heard it, and twelve of my peers heard it, and they acquitted me after reading this. They thought it was gibberish.

Q. Now at the end of that conversation on May the 12th, what was Scott going to do, to your knowledge, and what were you going to do about the problem that apparently you were talking about here, in which you described as gibberish?

A. Would you say that again?

Q. After this conversation you said, "I was going to see Bobby tomorrow", obviously they were going to thrash something out, what was it?

A. Whatever he had asked me about, whatever he was talking about. I cannot recall now.

Q. Well, he has told us in his evidence that after settling this question with you, that for the first time Lawrence and Lamorie came to him, and admitted that they were operating on your behalf, just as Wright

was, and Scott purported to be, and from there on the whole four knew what was going on.

A. Whose evidence is that?

Q. The evidence of George Scott.

A. There is no doubt in George Scott's mind that everybody was a crook.

Q. That is your answer to that?

A. There is no doubt in Wright's mind that everybody is a crook, and he still thinks that, but there is big doubt in my mind that anybody is a crook.

Q. Well now, being right after this conversation, within a matter of days, why would Lawrence and Lamoria come to Scott, if his evidence is to be believed, and discuss the arrangements they had with you?

A. You must have asked them that question, I don't know why they done anything. I am not their keeper, I never talked to them. They must have answered those questions why they did this.

Q. Now, after Wright was arrested on May the 28th, 1960, you took steps to get in touch with various witnesses who were respective witnesses here, or had in fact been subpoenaed. Just enumerate the ones that you have contacted?

A. For the Royal Commission. Is that what you are talking about?

Q. That is right.

A. I would not say outside of Clark, that had sent word through somebody, that he had given evidence, I cannot recall anybody. I do not swear that there wasn't or there was.

Q. Now, let us see. You contacted Wright?

A. How do you mean, I contacted Wright?

Q. You got in touch with him, and had a number of meetings with him before he gave his evidence here?

A. We had run into each other on the street. We had run into each other in different places. They put us in the paddy wagon together.

Q. And what about Lawrence?

A. I met Lawrence on one occasion and asked him to be a witness at my trial, and to tell the truth, and he refused me. And, I did not contact -- I asked my lawyer should we subpoena him, and he said, "I don't think we need a defence", which we didn't.

Q. What about Lamorie?

A. I have never talked to Lamorie.

Q. What about Cronin?

A. Cronin - I see Cronin quite regularly. He is a neighbour of mine and a dedicated officer when he was on the Ontario Provincial Police.

Q. And a business associate of yours

as well?

A. In the Dewsberry Company only.

Q. And you had a number of conferences with him in which you discussed, according to his evidence, to the Commission, this Commission?

A. I would not call them conferences, casual meetings.

Q. Well, lasting for hours on end, such as the one at the Royal York?

A. I would not think that it lasted for hours on end.

THE COMMISSIONER: Well, it wasn't a casual meeting?

A. No, that wasn't, no.

MR. WILSON: Q. And then you had at least two meetings with Malcom?

A. Yes, maybe.

Q. And one in the coffee shop in Niagara Falls, and one on the golf links at —

A. That was an accidental meeting, at the golf club, I think it was - now how did I come to meet him ---

Q. And then you of course had meetings with Lafrade before he ---

A. I see Jack Lafrade quite regularly.

Q. And also discussed about possibilities of giving evidence at this Commission?

A. Every time I come into the Don Jail

every guard asks me what is going on, every inmate I meet there asks me what is going on, and everybody I meet on the street is asking me what is doing with the Royal Commission, how far are they going to go?

Q. And then what about Lloyd? Did you try to contact Donald Lloyd in Chatham?

A. I don't believe I have talked to Donald Lloyd, only on one occasion at the club. I have never talked with Mr. Lloyd and I doubt if I ever talked to him when I seen him there - I don't know if I had talked with him.

MR. WILSON: I am going to start on a new branch of this ---

THE COMMISSIONER: Well, it will be a convenient time to adjourn.

---Thereupon the further proceedings in of the hearing adjourned at 5:00 o'clock p.m. until tomorrow at 10:00 o'clock a.m.

-- F I L E C O P Y --

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ON CRIME

IN ONTARIO

DAILY TRANSCRIPT
OF PROCEEDINGS

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WEDNESDAY, SEPTEMBER 26, 1962

---On resuming at 10.13 a.m.

JOSEPH P. McDERMOTT, resumed the stand,

EXAMINATION BY MR. WILSON CONTINUED:

THE WITNESS: There is a couple of things, Commissioner, that I gave evidence on yesterday, that I have had time to think about last night, and I would like to put the record straight on it.

THE COMMISSIONER: All right.

A. One of the things ---

Q. Just a moment.

A. All right.

THE COMMISSIONER: He says, Mr. Wilson, there were a couple of things that he testified to yesterday that he thought of overnight, and wants to get the record straight.

MR. WILSON: What are those matters?

A. One of the matters are that you suggested to me that the call from Dominic Simone was in the last thirty days, and I have thought of that, and I have been in custody practically three weeks, and I think you better make that sixty days, within the last sixty days.

And then another thing was Curly Gardner.

After he was arrested, the first contact with me, I believe he phoned me, and then he came to Toronto and at that time I believe it was at the Lord Simcoe Hotel, he had some one else with him, I am not sure if it was Leo Finnegan or someone from the club, and he called to look at the minute book. He went over our minute book, and at that time we talked about what lawyers I thought he should have, and what he -- what we discussed, who was the best to handle the gambling case and proceeded back to Windsor. This is to the best of my knowledge; now I may be mistaken on this. I discussed that he had owed me some money. He said he was going to get the money for me, some of his money was being held, but he would get me some money, and then when I proceeded to Windsor after that time I took the minute book on down there again, and as far as the meetings, there was only one meeting that I remember where the lawyers were all present. Then on A Sunday ---

MR. WILSON: Well, wait, before we get to that point. What was the date you say Finnigan -- at least Gardner came to Toronto and had this meeting?

A. I would have no idea what the date was.

Q. Can you give us any idea what

year it was?

A. Well, it was after he was arrested, and prior to his trial, I believe, that he came to Toronto.

Q. It would be prior to his trial, and after he was arrested, I believe in November or December of 1957?

A. I would only be guessing.

Q. Well, that is when he was arrested.

A. Well, then, that must be.

Q. You were at Windsor -- at least, at Detroit, and there was only one meeting of lawyer -- of the lawyers?

A. There was only one that I recall of the lawyers being present, and then the lawyers on the Sunday went to a football game, and we went up -- Gardner had a room at the -- well, I can't tell you which hotel we were staying at.

Q. In Detroit?

A. In Detroit, I think it was, or else it was a hotel in Windsor. It was one of the big hotels. He had a room there. I had a room there. During the course of that Sunday afternoon there were people from the club. We had been sitting around, drinking, watching football on television, the lawyers were at the game, and there were people calling into the room from the club, but there was no -- I wouldn't call it

strategy, or anything. There were discussions of how best the case, like, Frank, how will this be, how will that be, if that is classified as -- and there were people came in. Maybe some of the people that were charged came in. That is all I recall on that -- of that.

Q. What -- what was his interest in looking at your minute book? That is the Centre Road minute book, I take it?

A. I wouldn't know. He asked me if he could read it, and I said, sure, that our minutes were all up to date, and I would be glad to let him read it. What his reasons were I don't know. We may have discussed our minutes, why we had that in there, and why we ---

Q. Well, then, when you got to Detroit, and had this meeting, did you find he had a minute book?

A. I don't recall now if he did or not. That is quite a while ago, and I thought about it all night, and this escapes me, a lot of that.

Q. Well, what you say is that you were present at only one meeting. Are you quite sure of that?

A. I can't swear to it. I only recall that the lawyers were there at one meeting. As far as meetings, if we had a hotel room, and three or four people came in

for half an hour or an hour, and went out again, that happened while I was there on numerous occasions.

Q. Well, we have other ---

A. But I don't classify it as a meeting.

Q. We have other evidence as to what part you took in this. You have now given us your explanation as to what you consider your part was?

A. To the best of my knowledge, as I can remember. There may have been other things. Somebody may have fired a gun off, and I wouldn't remember it.

THE COMMISSIONER: Now, is that all you wanted to refer to? You said there were ---

A. That is all I think of. Oh, yes, he asked me yesterday if I talked to any one else who had subpoenas to the Royal Commission, and I could only think of a couple of people. I talked to Borelli. I talked to Iannuzzelli, Ralph Clark came to my house after the motion was brought. We named him in the motion to Ottawa. He came to my home to discuss it one morning.

That is the things I wanted to put the record straight on.

MR. WILSON: Q. In 1954 did you know an officer of the O.P.P., Frank Armstrong?

A. I knew Frank Armstrong. I can't

tell you what year, but while he was on the Anti-Gambling Squad he raided the Cooksville Club on occasions, and I knew him, and I had a favourite expression that I used to refer to him every time I saw him and we talked, and I used to say, "Frank, when are you and I going to go fishing?"

Q. Now, on May, 1954, where did you live?

A. May of 1954? I think I would be living -- I don't think I had bought in Rometown. I probably was living in Mimico.

Q. And Sergeant Cronin, we are told, at that time lived at 2 -- 533 Pape Avenue, Toronto?

A. I understand that, but at that time I didn't know that.

Q. No. Now, we have had the evidence of Constable Armstrong that on May 2nd, 1954, he was visiting Cronin, who of course at that time had just left the force, at his home at 533 Pape Avenue, and that after the visit he was guided along a certain route from that address, and on his way home he was stopped by you. Now, do you remember that incident?

A. I don't remember stopping -- well, what question did you want me to answer? There is a number of questions.

Q. Well, I will just read what his

report -- part of his report, so that there will be no misunderstanding about what I am talking about. After speaking about the visit, he says, in Exhibit 232, about half way down the page:

"When I left Sergeant Cronin's
"residence --- "

No.

"Sergeant Cronin accompanied me for
"approximately two blocks before we
"parted and he turned back to go
"home. I continued on along Pape
"Avenue alone and turned along
"Riverdale Avenue in an easterly
"direction and when I was approaching
"half-way along the block, a car
"pulled up beside me and turned off
"the headlights. I heard a voice
"call my first name, 'Frank' -
"'Frank, come here, I want to talk
"to you.' At this time I recognized
"the person who was calling me as
"Joseph P. McDermott, the principal
"operator of the Alpha Club. McDermott
"had a conversation with me involving
"Staff Inspector Tomlinson, enquiring
"as to what his future plans were,
"and what he intended to do.
"McDermott then said to me, 'Look,
"we need a good friend,' to which I

"replied, 'I like my job and the work
"that I am doing.' McDermott then
"continued to talk about future
"operations involving Staff Inspector
"Tomlinson and the Anti-Gambling
"Branch. During this time the same
"statement was repeated as before -
"'We need a good friend' to which I
"replied giving the same answer as
"previously. McDermott asked further
"questions concerning the Anti-Gambling
"Branch, to which I replied, 'I don't
"know.' He offered to give me a ride
"home and I declined. McDermott
"then asked if I would forget about
"seeing him and what he had requested
"of me - to which I replied I don't
"know.

"I then proceeded on my way and
"he followed me and stopped his car
"again and further reminded me about
"- 'needing a good friend' - again
"offering to drive me home but I
"declined as before."

Now, I have read to you part of his report dated May 5th, 1954, of this meeting. First of all ---

A. What year was that, sir?

Q. May 2nd, 1954. First of all, did such a meeting take place?

A. There was no meeting took place.

Q. Well, never mind quibbling about words.

A. I am going to quibble about words, because I am not going to be put on the record as saying there was a meeting took place.

THE COMMISSIONER: Well, did you meet him there?

A. I didn't meet him there. You are asking if I recall this eight years ago, and had completely dismissed it from my mind, and never heard anything about it until at the trial, at our trial, when this came up, and in searching my mind, on one occasion Frank Armstrong, who I had known from raiding the club, was standing on the corner of Pape Avenue, somewhere on Pape , I don't know exactly where, and I was proceeding south on Pape. As I came to a stop, Frank Armstrong was on the corner, it was. I said, "Hello, Frank". He said, "Hello." I said, "Do you want a lift?" I think I drove him two blocks down. The trip never made any turn. I was proceeding down Pape, never made any turn, never talked to him, I might have said to him, "Frank, when are you and I going to get fishing?" Outside of asking him about Inspector Tomlinson, or everything you have named off, I never made. He gave evidence, but I swear on my

unequivocal oath that did not take place, and to substantiate this, I ask the evidence of Constable Moore and Constable Cronin, who have given evidence on the character of this man, that he is inclined to tell fables.

Q. Well, you are swearing that you did not use the expressions like, "We need a good friend"?

A. Never.

Q. On a number of occasions at the time of that meeting. What were you doing over in that part of town that night?

A. That was eight years ago, and I don't recall what I was doing over there. I certainly wasn't seeing Cronin. I didn't know he lived on Pape Avenue.

Q. Yes. So you are swearing you never made any suggestion to him along those lines?

A. We need a good friend? Nothing at all along those lines.

Q. Any reason that you know of as to why Armstrong would make such a report a few days after the incident occurred along -- in the way that he has, if it wasn't the truth?

A. Maybe to curry favour. I couldn't suggest what his motives would be.

Q. And then we have the further report of Constable Armstrong, dated the 18th

of May, 1954, Exhibit 233, and I read part of that report.

THE COMMISSIONER: What date is it?

MR. WILSON: It is dated May 18th, 1954. The second paragraph:

"On Thursday, May 13th, 1954, "the writer in company with Corporal "J.M. Anderson, executed an order to "search at the premises of the Alpha "Club, Centre Road, Toronto Township, "County of Peel - with respect to the "recording of names and addresses of "persons who frequent the premises.

"During the course of the evening "I was accosted by McDermott and asked "on several occasions 'If I would join "his ball team'. When I was standing "watching the crap game which was taking "place on the pool table of the second "floor - and which would involve several "thousand dollars in side bets alone - "McDermott said 'How would you like to "have that kind of money?' and then "added 'this would be peanuts as far "as we would be concerned.' He then "said, 'You know, Frank, you and I "would make a great team, with what "you know and my help.'

"Later, when I relieved Corporal "Anderson in the lobby of the premises,

"McDermott came in, after Corporal "Anderson left and asked me for a light "and then said, 'You know Frank, if you "come on my team you would have an "hotel of your own within a year, and "be driving a new car' and could say, "'to hell with the Department' - "and 'all you have to do is phone your "wife at this number', pointing directly "to the phone on the desk in front of me. "He further added 'you know everything "that's going on with your outfit.'

"I then returned to the second "floor again where McDermott came over "and asked me, 'Now would you like to "come up on a fishing trip with me "so that we can get real friendly?'

"With regards to all McDermott's "propositions I gave him very evasive "answers and, when I could, I made known "the purport of these conversations "to Corporal Anderson."

Now, first of all, do you recall the execution of the search warrant in May of 1954 at the club?

A. There were numerous warrants.

Q. Well, you remember this particular one?

A. Not any different than any of the others, no, I don't.

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MR. WILSON: Q. Do you remember Armstrong being involved in one of the searches made pursuant to a search warrant?

A. Numerous times.

Q. Numerous times? You have heard me read his report of what occurred on May 13th, 1954, what you said to him. Did you make those statements or did you not?

A. I made one statement which if I seen him here I would make the same statement: "Frank, when are you and I going to get fishing?"

Q. Apart from that statement, you deny under oath that you made all the other statements that he attributes to you?

A. In the discussion of the crap games? While he is standing in, we might have discussed the amount of money on the table, which I discussed with all the officers, but as far as discussion of anything about him coming on my ball team or any suggestions improper, I deny them in their entirety - outside of the fishing trip, and that was a joke between us for years, and still is.

Q. So that all these other statements about the hotel he might have in a year and so on were all figments of his imagination?

A. A tale well calculated to keep you in suspense.

Q. Who was going to be kept in suspense?

A. Not me.

THE COMMISSIONER: I don't quite understand your answer, "a tale well calculated to keep you in suspense".

A. If he went back ---

Q. To keep whom in suspense?

A. To keep his superiors, whoever he was writing these reports to - what a terrific officer, what a fine job he was doing.

I knew John Anderson over his time better than I knew - I knew him to talk him, I did talk to him out in the club. He was a man I was going to talk to if I had any of these things to talk to. John Anderson knew me far better, and no occasion over twelve years did I ever make an improper suggestion to that man.

MR. WILSON: Q. Did you ever ask Anderson to go fishing?

A. No, because I never discussed fishing with John Anderson. If I did, I probably would have.

Q. You probably thought better than asking him, making this kind of proposals to him.

A. No, I think John Anderson understood my humour.

Q. He understood your humour?

A. Yes.

Q. And you understood him, too?

A. I understood him, that he k never

coloured his evidence and called things - never said one thing wrong. Nobody ever approached him in all the years he was out there and yet he was had because he had told the truth.

THE COMMISSIONER: Do I understand you now to be saying that Anderson never coloured his evidence?

A. As far as I am concerned, I never seen him colour his evidence in a courtroom, and if he convicted you it was a pleasure to walk out of the courtroom convicted or to go to jail, because he told the truth and never shaded it.

MR. WILSON: Q. Let us take a look at his evidence. You say he is a man that tells the truth?

A. I think he is, yes.

Q. All right, he has given evidence here of various occasions and the one I am referring to is page 5926. That starts really at the bottom of page 5927 at line 28, I guess:

"Q. Did you listen in on
"any of the telephone conversations
"between Scott and McDermott?
"A. I did on one occasion, yes.
"Q. Do you remember whether
"there was any mention of Laurence's
"name? Laurence or Lamorie?
"A. Lamorie's name was mentioned

"but Scott told McDermott that
"Lamoric was trying to get a
"patch across the river. McDermott
"asked Scott to try and stop him
"from doing this.
"THE COMMISSIONER: Just a moment.
"Q. Get a patch across the river?
"A. Yes. We took that to mean
"the Niagara River in the States -
"New York State.
"Q. What did you say about
"McDermott?
"A. McDermott asked Scott to try
"and stop Lamoric from doing this.
"Q. Well, I do not quite understand.
"Lamoric was trying to get a patch
"in Niagara Falls, New York?
"A. That is right, sir. At
"that time the heat - in 1959 the
"heat was on in New York State and
"we had one occasion when a really
"big bookmaker moved over into
"our territory, and perhaps as an
"indication that more of them were
"going to cover over here, and he
"would sell them the protection so
"they would come and operate in
"Ontario.
"Q. The patch, geograp hically,
"was to be in Ontario?

"A. Well, that, as I say, that
"is my assumption of what it would
"be."

Now, do you say that you did not make the statements to Scott that Anderson attributes to you in his evidence here?

A. I think that is perfectly obvious that I am advising him not to sell protection to anyone, that it would be a wrong thing to do, a rebuff of anything that this officer would suggest, that any police officer divulge information.

Q. Well, will you just answer the question. Is what Anderson said in his evidence accurate as to what you told Scott?

A. Could quite possibly be. I do not swear it is or it isn't, but John Anderson is an honest man and a credit. No illusions in his head about graft or corruption.

Q. I have a report of Inspector Tomlinson dated September 16th, 1954 with regard to a search of your then residence for firearms, and firearms were in fact found on your premises. Where were you living at that time?

A. What year is that?

Q. 1954. We are still in 1954.

A. I must be living at Rosetown Drive. The warrant should ---

Q. As a result of the search certain

firearms were found on your premises, a charge was laid and you were convicted, is that correct?

A. Certain firearms? I believe there was one firearm.

Q. Do you want me to go into the particulars?

A. I don't want to swear to something that won't be the truth.

THE COMMISSIONER: Well, a firearm was found. What was it, a revolver?

A. Yes, sir.

MR. WILSON: Q. It was a 38 calibre revolver. What did you have that revolver for? Did you have a permit for it?

A. No, I did not have a permit for it, and that is why I was convicted, but I didn't have it for any ulterior motive any more than anyone else in the country has a firearm in their home. I wasn't carrying a firearm.

Q. What was your motive for having this?

A. I carried considerable sums of money, and you reported I bought another firearm and I kept it in my home for the same purpose, for the protection of my home - another thing I am entitled to do.

Q. I thought my recollection was right that there were two firearms. One was a 38 calibre Smith and Wesson and the other

was a 25 calibre - I don't know - automatic pistol.

A. The one - what was I charged with, one offence?

Q. Never mind what you were charged with. These two were found on your premises.

A. But there was only one illegally there that I didn't have the permit for.

Q. Which was the one which was illegal?

A. The 38 didn't have a permit to have it in the home. I had one permit instead of having two.

Q. Then you had these two guns, you say, in your possession there on your premises for your own protection, is that it?

THE COMMISSIONER: That is what he said.

A. Yes.

MR. WILSON: Q. That is the story?

A. That is the truth, - another bit of heritage that I am entitled to.

Q. Did you ever use these guns?

A. Not that I ever remember using them, no. I have used the shotgun at the geese camp.

Q. Well, we are not talking about shotguns at the moment. We have a report of Sergeant Anderson dated September 17th, 1954 dealing with the operations of this office at 296 Sherbourne Avenue which was a building opposite the Police College. Now, what was

the purpose of having this office across the road from the Police College?

A. I didn't have the office there.

Q. The Anti-Gambling squad operated from the Police College at that time, didn't they, across the street?

A. They may have, I couldn't swear to that.

Q. Well, we have had some evidence of this from Mr. Feeley. Now, what is your story about that set-up?

A. I have got no story.

Q. Well, what are the facts?

THE COMMISSIONER: Q. What do you know about it?

A. Just that we had numerous places that in the morning a person could go - it was a custom if you are bookmaking, for the police, if they can't find where you are writing your sheet, to follow you first thing in the morning, and following you in the morning you would go to a place where there was nothing there and you would sit down and get on the telphone and phone and get your figures from the previous day from your back end. We would have numerous places to move around to to do this.

Q. Who is "we"?

A. Feeley and myself. This was one of the places that he had got.

Q. Doing all that, was that one of

your fundamental rights, basic freedoms that you have been telling us about?

A. No,my lord. That was a short-cut, that was a shortcut to gamble.

MR. WILSON: Q. And the premises in question were taken in the name of Charles Silkstone, who I understand is your brother-in-law?

A. That is correct.

Q. When the search was made of the premises there were references to telephone calls from there to your residence at Hometown Drive. Would that be in connection with the betting operation?

A. I couldn't possibly tell you at this date what that would be.

Q. And what would the binoculars on the premises be for, to look down Sherbourne to see if a prospective better was coming along?

A. No, to take out to the racetrack to watch horses, come around.

Q. I see, and then why would there be a note found on the premises which said:

"Shrubb walked north at one o'clock" or "out - returned one-twenty" printed on it. What would that mean?

A. I couldn't possibly speculate on what that would be.

Q. Well, it would be a very convenient place to observe the activities of the Anti-

Gambling squad, would it not?

A. It would be of no advantage at all to me.

Q. Who owned the binoculars, to your knowledge?

A. I don't recall.

Q. Now, we have had considerable evidence about a raid on the Centre Road Club in November 24th, I think it was, 1954. The date here is the date of the report I have got. Exhibit 7.

THE COMMISSIONER: What is the date?

MR. WILSON: November 24th.

THE COMMISSIONER: Yes.

THE WITNESS: What year?

MR. WILSON: 1954. We are still in 1954.

Q. Now, after that raid - you were present, were you not, when the raid took place?

A. I couldn't swear. I probably - I was present on lots of raids. To go back eight years to say if I was present on a raid it is hard to do. I didn't keep books. If it said I was, I was there.

Q. And this is the raid, you recall, where certain of the found-ins were taken to Brampton jail and were subsequently examined before the magistrate.

A. I remember that quite well, yes.

Q. That is right, I would think you would.

A. Yes.

Q. Now, did you on that occasion call either Gebirtig or Herman - Carl Herman - to come out there to Brampton?

A. I may have. I can't swear that I did or I didn't. I may very well have. I couldn't swear.

Q. Did you phone anybody else to ask them to intervene as far as the detention of those found-ins was concerned?

A. Yes, I did.

Q. Who did you phone?

A. I phoned Ottawa, the Senate.

Q. The Senate in Ottawa?

A. And asked the Senate, after I had read this section in the Criminal Code, and I said that I had a complaint and who could I take it to? They said that they were re-writing the Criminal Code at that time, and there was three Senators that were re-writing it. I said, "Could I see them?" and they said, "Yes" and they referred me to Senator Joseph Roebuck, and I phoned him up and made an appointment.

Q. I never heard of Senator Joseph Roebuck. I have heard of Senator Arthur Roebuck.

A. Senator Arthur Roebuck. I made the appointment with him and I went down and he listened to me out, he heard me out and we

went over the section piece by piece, and I asked for it to be deleted from the Criminal Code, and he agreed with me and said it was a terrible section. I believe he is still living and will remember it. He said that he would discuss it with the other two Senators. That is what I done, a due process of law to keep the clubs open.

Q. I was asking you in particular with regard to the actual day the raid took place, and while the people were still under detention at Brampton jail, did you contact anybody else other than the lawyers and try to exert some influence to have them released?

A. I can't recall at the time, now, I can't recall.

Q. Did you know the then Member, Mr. Kennedy?

A. I don't ever remember meeting him in my life or knowing him. I know he was the local Member of that - I don't think I had ever met him, unless I had seen him somewhere. I have never been introduced to him or anything.

Q. Have you ever arranged with any of your lawyers to make representations to Mr. Kennedy?

A. Not that I ever recall, no.

Q. By the way, did you know Chief Constable McGill out in Toronto Township?

A. Never met him in my life, and I

don't think he has ever raided the club in all the years we were out there, never had a complaint. I think his evidence was all the ten years he had never had a formal complaint against the club.

Q. On that particular occasion do you recall Armstrong being a member of the raiding party?

A. I think I do. Yes, I think he was. They were taking pictures - yes, Frank Armstrong stepped in to stop a fight one night, yes.

Q. Now, Frank Armstrong in his evidence said that on that occasion you renewed your proposals about needing or hoping for a friend who can supply information concerning the operations of the Branch. Now, what do you say?

A. I have already sworn that on no occasion did I ever suggest to him, outside of going fishing, that I needed him for anything.

Q. Then he goes on to say that you renewed your offers of advancing $20,000 to $40,000 as a nice down payment on a motel somewhere in the province. Do you deny that you made any proposition to him along those lines?

A. $20,000 or $40,000?

Q. Yes.

A. Does that sound rational? No, I

never made any such statement.

Q. And also he said that as you left you asked him not to forget to write down your phone number for future reference. Do you recall that?

A. I do not recall that.

Q. Do you deny it?

A. I deny it, unless he asked me for the phone number for the police or something else. I don't ever remember giving him my phone number, unless it was in an official capacity that he took my name and address and said, "We need your phone number. We got orders to take it." Then he might get it off me, or orders to search the Bell Telephone. I never gave it to him that I remember.

Q. I will go on to something else. In the speech that was made by Mr. Winternoyer, he made reference to you in certain phases of his speech, and there are one or two matters where he did mention your name that I want to call to your attention.

A. I think it was 62 times he mentioned it.

Q. Well, page 101 of his speech, Exhibit 3, it says in the right hand column:

"There has been evidence that

"Joseph McDermott, when warned

"on May 5th, 1960, of an impending

"police raid on the Ramsey Club
"in Niagara Falls, replied that
"he already knew about it, and
"that he had been told by James
"Bartlett, the Deputy Commissioner
"of the Ontario Provincial Police.
"There has been evidence that
"Deputy Commissioner Bartlett
"received $2,000 from Joseph McDermott
"for informing him of the signing
"of search warrants before clubs
"were raided."

Now, first of all, take the first statement in regard to what it says, that you said you were already ——

THE COMMISSIONER: Let me see Exhibit 3, please.

MR. WILSON: Q. -- aware of the raid on the Ramsey Club on May 5th,1960, having been warned or informed of that ~~af~~ fact by James Bartlett. Is thattrue or not?

A. I dealt with that yesterday. It is wrong, but I explained that yesterday how that came about. That was one of the times that Scott - I am not swearing to the date now - but I am assuming this is the occasion that Scott phoned and said there was going to be a raid and I said to him, I said, "Don't tell me about it. The Commissioner has already told me.", hoping that he would go back and

tell the Commissioner and that would be the end of them phoning me, but, no, he saw fit that the jig was up, that that was the end of the cloak and dagger, so he inserted Mr. Bartlett's name in that, and that is how that came about. Mr.Bartlett never gave me any, in any shape or form.

Q. Or did you ever pay him any money?

A. Not five cents.

THE COMMISSIONER: Q. You didn't know him very well then?

A. Mr. Bartlett?

Q. Yes.

A. I had never seen him in my life.

Q. That is what I understand, notwithstanding you and Feeley went ---

A. Went to his home, which was a terrible mistake, no more than if we came to your home. It was wrong.

Q. Of course, yes, and that is the only time you ever met face to face?

A. Unless he was on a raid or run-in somewhere, I don't recall to the best of my knowledge, I don't think I have ever met him. If I am out somewhere and I run into him, surely, but to the best of my knowledge I have never met him.

Q. He didn't know you well enough to introduce you to anybody? He never did introduce you to anybody?

A. The only time I ever saw him ---

Q. No, no. He never did introduce you to anybody?

A. Couldn't have.

Q. He never did?

A. Never.

Q. Did he ever introduce you to a man down in the Royal York Hotel, or introduce a man to you in the Royal York Hotel?

A. If he did I was awful drunk and didn't know him or knew the fellow in the Royal York, I would swear that I never seen him.

Q. You do not get drunk all the time?

A. I am an Irishman and I do not drink very often but when I do ---

Q. It is bad?

A. It is damned bad.

Q. He could have introduced you to someone, or at least someone to you, in the Royal York Hotel and you do not recall it because you were so drunk on that occasion that you don't remember it?

A. I would swear that it never happened unless I was hypnotized.

Q. I see.

MR. WILSON: Q. Dealing with the speech of Mr. Wintermeyer on the same page, 101, immediately following, he goes on to say:

"There has been evidence that

"Inspector Allan Stringer, in charge
"of the Peterborough District of
"the Ontario Provincial Police
"telephoned McDermott and others
"to warn that the anti-gambling
"branch had planted an undercover
"man in gambling operations in
"Hamilton, and that raids were
"about to take place."

First of all, did you know or do you know ---

THE COMMISSIONER: I am sorry, I didn't get that marked.

MR. WILSON: It is on the right hand column near the bottom.

THE COMMISSIONER: On page 101?

MR.WILSON: Page 101, yes. "There has been evidence -- "

THE COMMISSIONER: Yes.

MR. WILSON: The last sentence in the last full paragraph.

THE COMMISSIONER: I see it now, thank you.

MR. WILSON:Q.Did you know Stringer?

A. Never knew Stringer.

Q. Did you ever receive any information from Stringer about the planting by the anti-gambling branch of an undercover man in the Hamilton area?

A. Never in my life did I.

Q. Or did he ever give you any

information about any impending raids by the anti-gambling branch?

A. A lie.

Q. Then in the speech at page 102, the first paragraph on that page on the left hand column:

"There has been evidence that one
"J.F. Cronin, a former sergeant in
"the anti-gambling squad, supplied
"protection to Feeley and McDermott
"for some ten or twelve years,
"that he had the heart of a lion
"in his devotion to their interests
"and that by the time he was caught
"and discharged he had made $100,000."

Now, did Cronin either directly or indirectly supply information to Feeley and yourself in regard to the anti-gambling squad for a period of ten or twelve years?

THE COMMISSIONER: He has denied that.

A. Never in his life did he. Pinched me, chased me, but gave - never coloured his evidence either.

Q. We have had evidence of the approach made by one of the lawyers engaged in the defence of Feeley, Wright and yourself to a lawyer in a case that was - where a jury was being impanelled just prior to your trial ---

A. I knew nothing of that. I knew nothing of that.

Q. Did you give any instructions --

A. None whatsoever.

Q. To any lawyer, any of the three lawyers engaged to do that?

A. None at all.

Q. Did you have knowledge of it at the time?

A. The only instructions that we decided on between all the lawyers was to pick the best calibre of men we could get, bankers, lawyers or bankers and business men. We tried to get the highest calibre of a blue-ribbon jury.

(Page 10690 follows)

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Q. Did you go over the jury list before, at your trial?

A. Yes, I did.

Q. And did you discuss the names on that list with either your own counsel or any of the other counsel engaged in the defence?

A. We may have looked at it and tried to pick out the business people on the list.

Q. Did you actually name names?

A. I couldn't swear we went over names or not. I couldn't swear we did or didn't, but there was no instructions given to the counsel to talk to any one else about the matter.

Q. The foreman on that jury, had you any previous knowledge of him?

A. Not until we looked at the jury panel and his name was on the list, and he worked for that firm. I wouldn't know him if I seen him at that time. After, I did.

Q. Was that one of the names you discussed with any of the counsel?

A. Never discussed it with the counsel, to my recollection.

Q. Now, we have had evidence here about an operation called Airgo Limited.

A. By the way, could I state that was the panel Mr. Gordon Ford seemed to call contempt at the end of the Crown's case.

They were a perverse jury. And, Mr. Roach, I just want you to know that. I didn't think it was very fair for twelve men to acquit us and then the Crown Attorney to say "perverse". And there has never been an apology to any one for the fact. Surely that shouldn't happen. If this is a Commission to deal with the things that have happened to me, that is one of the things that has happened to me.

THE COMMISSIONER: Q. I suppose, Mr. McDermott, the jury convicted you and you were protesting your innocence?

A. I think I would be in contempt of court by the learned judge I said it in front of.

THE COMMISSIONER: All right.

MR. WILSON: Q. Before we leave the jury, there was a man named Mellis on the jury?

A. No.

Q. I won't go into that. Now, I come to Airgo. You were interested in Airgo Limited?

A. Yes.

Q. How much money did you put into Airgo Limited?

A. I haven't got the figures and I would only be guessing. They must have the figures here. Whatever they are, they are

probably right.

Q. What is your best guess?

A. I am not much at keeping track of that. It is all on paper. I wouldn't hazard a guess what it was. It was a few thousand dollars.

THE COMMISSIONER: Q. A few? What do you mean by "a few"?

A. It was over two, it was over five.

MR. WILSON: Q. Apart from Peeley, who else put some into the enterprise?

A. Just Peeley and I, I think, were the only two.

Q. What did you buy? Some aeroplanes?

A. Yes.

Q. Did you pay for them?

A. I imagine we paid for them.

THE COMMISSIONER: Q. You imagine you paid for them?

A. I would think so.

Q. Don't you know?

A. They must be. It was all down on the books.

Q. No, no, no. Listen to me.

A. Money might have been in the bank and we might not have paid for them for some time.

Q. Who bought them?

A. I left the business. I never liked

the aeroplane business.

Q. You bought the planes and paid for them. That was a simple question. Do you agree?

A. In Airgo, yes.

Q. Do you see how much time we took to get a simple agreement from you?

A. You told me not to swear to anything unless I was convinced of it.

Q. You are convinced?

A. Yes, because you convinced me.

MR. WILSON: Q. Did you become an officer and director of that firm?

A. I think I did.

THE COMMISSIONER: Q. You think you did?

MR. WILSON: Q. Were shares in that company issued to somebody except Peeley and yourself?

A. I went into the lawyer's office and he had the books there and he said this is this and that and that, and sign that, and I went along with it. I would think I did. Peeley and I bought it.

Q. Why didn't you make a disclosure to the Transport Board of the interest you and Peeley had in the aeroplanes that were involved?

A. Oh, I think we did.

Q. Did you?

A. I am not swearing to it. I know

I took a trip to Ottawa with Mr. Humphrey and went in to see the man in charge of it and sat down and told him all about me and that I had a criminal record.

THE COMMISSIONER: Q. When was this?

A. Some time during, right after we bought it some time, I don't know. But I know I took that trip with Mr. Humphrey and went to Ottawa. Mr. Humphrey said, "Here is a fellow who has been in trouble fifteen years ago and he is running an aeroplane company now." And that was how it came about.

Q. Who was the man you were talking to?

A. I wouldn't know. I think Mr. Humphrey might know. I think there would be correspondence of it. There was no skulduggery there. None whatever.

MR. WILSON: Q. You have no idea when you went to Ottawa and made a disclosure of your interest in this?

A. I wouldn't know, honestly. I wouldn't know. It must be on record.

Q. Was it before or after Mr. Wintermeyer made his speech?

A. I couldn't say to that. It was a political speech.

THE COMMISSIONER: Q. Just a moment. Why were you going to Ottawa?

A. I don't know. I imagine because my lawyer asked me to go there. I thought it was a formality.

Q. A formality in connection with what?

A. With the aeroplane company for a license or something. There is a lot of red tape with an airline.

Q. Wouldn't you have your licence at the time you went to Ottawa?

A. I don't know.

Q. You don't know that?

A. I honestly don't know. I know they came to me with this company, and there was two lawyers in Toronto had it, and they wanted to get rid of it, and I was hanging around down there and doing some flying at the Toronto Island. I asked Mr. Humphrey, "What do you think of this?", and he said, "It is a darn good buy." I said, "If you think it is right and the price is right, go ahead." And this thing about licences was a very small thing to me. It wasn't something I would even give a second thought.

MR. WILSON: Q. You say there was no deliberate attempt to conceal from the Department of Transport the interest that Feeley and yourself had in this operation?

A. I would think if there was any basis for that, we could have our licence

cancelled. Surely the Air Transport Board are the best judges of that.

Q. Isn't it a fact that the Air Transport Board didn't know anything about your participation until after you had sold your interest in that operation?

A. Whoever the fellow was we went to see in Ottawa, knew. And he was the top man there, and I would think he was in the Air Transport.

Q. Just answer the question.

A. I can't answer. I would be only guessing. I assume he knew. I told you under oath there was no hocus-pocus there at all. It was clear cut. As far as I knew, we did let them know. It was a lot of gibberish. Like that phone call. Hocus-pocus.

Q. Let me put it this way. If it was proper for a disclosure to have been made to the Department of Transport at the time Feeley and yourself acquired an interest in this company, are you blaming the lawyers if it wasn't done?

A. I certainly never read what you had to do. If you had to be over twenty-one. I never read the book of rules on it. I went to my lawyer and said, "If you think it is a good buy, get it for us."

Q. That is not answering the question.

If it should have been done and wasn't done, whose fault was it?

A. I am not going to put the blame -- maybe it was the Air Transport Board's fault. How could I possibly judge whose fault it was?

Q. You say as far as you were concerned it was no part of any plan to conceal your interest?

A. None whatever.

Q. By the way, do you know Ben Nicoletti?

A. Not by that name. What I read in the paper, I may know him to see him, but not by that name. There is a fellow in Toronto, some one said he is here in Toronto, working here. Whether it is the same fellow, I don't know.

Q. What were your dealings with him?

A. I think I met him at the race track. He may have bet with me on a couple of occasions, if it is the same fellow. I couldn't swear.

Q. To your knowledge, where did he come from?

A. I don't know.

Q. Is he a Canadian or American?

A. I don't know whether he has taken out his citizenshiphere now or not, but at that time he was American.

THE COMMISSIONER: Q. At what time?

A. At the time I met him some years ago at the Fort Erie race track. It was some one I asked, Borrelli. I asked, "Who is that?" He said, "He is an American, you have seen him at the track." And if I went to the race track and there is Americans there, and anybody I know I say, "Bet with me, don't go to the machine."

Q. You mean to say you were taking bets at the race track?

A. Yes. You can't be charged. You can just be put off.

Q. I don't care what they can do to you. But you were taking bets at the race track?

A. Yes.

Q. At Fort Erie?

A. Yes. All my life. Long Branch.

Q. You don't mean all your life?

A. Since I have been gambling.

Q. Since you were old enough?

A. Mostly the business you get was from other gamblers. We bet with one another. And we Miami horses. Instead of him betting me, I said, "Give me fifty", and I would bet a horse, so we would get the same amount of business.

Q. You mentioned Borrelli. Did he introduce you to this man?

A. I couldn't swear either way.

Q. Do you remember talking to this man later?

A. I may have been over a period of time. I can't swear.

Q. By telephone?

A. I couldn't swear either way.

Q. Do you deny you were talking to him?

A. No, I don't deny I was talking to him. I talked to a number of people. If a fellow wanted to ---

Q. No, no. Where would you reach him?

A. He would call me or else if I had a number for him, for Benny, I had a list to call, and that man was betting with me at the race track, or if I owed him money after the track was over, I would say, "Benny, give me your number." I might have called him.

Q. Where would you phone him?

A. I couldn't say.

MR. WILSON: Q. We have a picture of Benny here.

THE COMMISSIONER: Show it to him.

THE REGISTRAR (produced)

THE WITNESS: I think this man has bet with me. I couldn't swear it was him or not.

THE COMMISSIONER: Q. This is the man you are talking about?

A. This could be the man. I can't swear that he bet with me.

Q. Is that the man called Benny? That is all I want to know. Let me see that.

A. (Produced)

Q. Now, who is that?

A. That is a fellow by the name of Benny.

Q. All right. Now we have got that. Is that the Benny Borrelli introduced you to at the Port Erie race track?

A. I can't swear if Borrelli introduced me to him at the race track, but this fellow bet with me at the race track.

Q. I see. More than once?

A. I couldn't swear whether it was more than once or not.

Q. If it was only an isolated occasion, you would hardly remember that?

A. I bet with so many people.

Q. No, no, please.

A. I am not going to swear to something I am not sure of.

Q. Just a minute, Mr. McDermott. I am suggesting to you that he bet with you. You say he has bet with you. We have got that established?

A. I think this man has made a bet with me.

Q. You think this man has made a bet

with you. Now, if it was only on a single isolated occasion some years ago, you would scarcely remember that?

A. I may have.

Q. Having regard to the great number of people who do bet with you at the track, you wouldn't remember that one particular man who made that one solitary isolated bet?

A. I may have.

Q. May have what?

A. I may remember him.

Q. I am asking you if you do.

A. This man may have bet with me.

Q. Once?

A. It could be once. I couldn't swear it was more than once.

Q. When he made the bet with you, did he put up the money?

A. I couldn't swear.

Q. Well, if you telephoned him later, where did you reach him?

A. I couldn't tell you that.

Q. You don't know that. If you did telephone him more than once, he must have bet with you more than once?

A. That is a supposition. I couldn't swear it either way.

Q. I am saying, if it turns out you did telephone him more than once, he must have bet with you more than once ?

A. You are giving me an awful lot of "ifs", Mr. Commissioner.

Q. I know I am. You would only telephone him with respect to bets he made with you. That is the point I am trying to get clear. Is that so?

A. Would you tell me what you mean?

Q. If I understand you, you are swearing that you only telephoned him with respect ---

A. I don't even know that I telephoned him. I couldn't swear I telephoned this man. I may have.

Q. If it turns out that you are right and did telephone him ---

A. These Italian fellows ---

Q. Now, don't argue. I will try to help you. If it turns out you did telephone him, it must have been with respect to bets he made with you, because you had no other business with him. That isthe point I want to get clear. What is your answer?

A. I wouldn't swear either way to that. What a man phoned me or I phoned him for, whether he had to be a better, I don't know. I don't recall. I honestly don't recall.

Q. The only business you had with him was betting, as I understand it. Is that right?

A. If I did. If I did. I am not sure if I did.

Q. Well, you looked at the photograph?

A. And I think I recognized him. That was my evidence.

Q. You looked at it. Let me see that.

A. They all look the same to me.

c/3

Q. Now, on the assumption that you are right, I am putting it to you, that if you telephoned him, it was in connection with bets and nothing else?

A. Oh, I couldn't swear tothat.

Q. You couldn't swear to that. What else would you have telephoned him for?

A. I wouldn't have a clue and I am not going to speculate at this point when I am not sure. I am confused.

Q. You are confused now?

A. And I am not going to swear to it.

Q. That is the last thing in the world I want to happen. I don't want you to be confused.

A. I am not going to split hairs which, at a later date, are going to be made.

Q. No, I am not splitting hairs and I don't want you to split hairs. And don't be confused.

A. I am confused.

Q. About what?

A. Whether this fellow bet with me. Maybe he bet with me or I called him or he called me. I am confused. If you take twenty or thirty Italian fellows, and I know a hundred of them, they all look the same to me. If I go to Chinatown, I can't tell one fellow from the other.

Q. Don't argue. I thought we had this established.

A. I said ---

Q. Now, we both can't talk at the same time.

A. I am sorry.

Q. I thought we had this established. I am not trying to trick you. Don't misunderstand me. I thought we had it established, you recognized him in this photograph as a man with whom you had made a bet?

A. I think so.

Q. You think so. All right. Now, if it turns out that you telephoned that man, I am asking you would it be in connection with a bet that you made?

A. And I said I couldn't swear to it.

Q. Now, what else could it be?

A. I am not going to speculate on what it could have been. I have dealt with thousands of these fellows.

Q. You didn't know the man until

Borrelli introduced you, as I understand?

A. I am not sure Borrelli even introduced me. It might have been some one else. When I go to the race track ---

Q. No, no.

A. You are trying to pin me down to something I didn't say.

Q. I understood you to say that you thought Borrelli introduced you to this man.

A. That is a thought. If we follow up a thought, we get into suppositions and ifs.

Q. Some one introduced you?

A. If this is the same man.

Q. The same man as what?

A. That I thought possibly this man had made a bet.

Q. You hadn't known him before?

A. I don't think so.

Q. No. And you had no dealings with him after?

A. Not that I know of. I couldn't swear one way or the other.

Q. So then if it turns out that you telephoned him, it must have been in connection with the bet?

A. Not on there, no. I am not going to think what it was.

Q. Well, what else could it have

been? You didn't know the man before. You had no dealings with him before. You had no dealings with him afterwards. What in the world would you be telephoning him about?

A. I don't know.

Q. Unless it was the bet?

A. I don't know.

Q. Can you suggest anything?

A. No, I can't, and I think it is wrong to even make me suggest.

Q. I am not trying to make you suggest. I am asking if you can suggest anything?

A. I said a hundred times I can't.

Q. Do you want to leave it just like that?

A. Yes.

Q. You want to leave it just like that. No further explanations of any kind?

A. No.

THE COMMISSIONER: All right. Put this in as an exhibit.

---EXHIBIT NO. 261: Photograph of Ben Nicoletti.

THE COMMISSIONER: Q. Do you know where that man lives?

A. No, I wouldn't think I know.

Q. Did you ever know where he lived?

A. Never, to my knowledge.

Q. And if you telephoned him, I suppose

it follows he would have to leave his phone number with you. You wouldn't know where to reach him?

A. Or some one else leave it.

Q. Or some one else?

A. Or some one send it and ask me to call, or something else. There could be a million avenues of how I could get that, and I am not going to pin myself down to what they were.

THE COMMISSIONER: All right. I think we have exhausted that.

MR. WILSON: Q. Now, did you know a man named Dominic Mantell?

A. Not by the name.

Q. Well, what name did you know?

A. The name doesn't ring a bell.

Q. It doesn't ring a bell at all?

A. I believe he is one of the men mentioned in the brief. I think this fellow was mentioned in that brief. That is why I am hesitating in my mind just if those fellows were around that club or if I had ever seen them or gambled with them or horses, and that is why I am telling you, when you get a lot of these people together, they all look the same.

THE COMMISSIONER: Don't make speeches. It costs money to record them.

MR. WILSON: Q. Possibly, Mr. Registrar,

if you would hand the witness this picture.

THE REGISTRAR (Produced)

MR. WILSON: Q. Tell me whether or not you have ever met this gentleman?

A. I don't recall ever having seeing him. I may have. I may have. I wouldn't know. I don't ever recall it. He looks like a fellow that is in the Don Jail now.

MR. WILSON: I think, for identification purposes, Mr. Commissioner, we might attach the summary, the name and the particulars of this individual. Peter Christopher Magliarditi. If we could attach that and mark it as one exhibit.

THE COMMISSIONER: You are attaching the particulars as supplied by the Niagara Falls, New York, Police Department?

MR. WILSON: Yes.

---EXHIBIT NO. 262: Photograph and particulars of Peter Christopher Magliarditi.

MR. WILSON: Q. Do you recognize the name Magliarditi?

A. I don't. Unless it is on the brief. I don't think I ever heard the name before. But these names, seriously, they sound alike and to swear you have never heard -- I don't think I have ever heard the name or seen the fellow.

Q. Now, I show you a further photograph.

Could you tell me who that is? (Produced)

A. I think that is one of the fellows, looks a little bit like Leo Finnigan. I have seen this fellow. This, I think, is one of the fellows that was charged with Gardner.

Q. This is one of the fellows who sat in on the meetings?

A. I think it is.

Q. With the lawyer and others?

A. They said he has one leg. This fellow has two legs.

THE COMMISSIONER: Q. What do you say it is a photograph of?

MR. WILSON: I say it is a photograph of Giacalone.

THE WITNESS: It probably is.

MR. WILSON: Q. You say it probably is. Now, we were dealing with a situation where you said that Scott had made a report to his superiors, naming the Commissioner rather than Bartlett?

A. Yes.

Q. Now, on that particular occasion, did you have knowledge that Bartlett was the man who issued the warrant?

A. I don't think I did know. No, I had never paid any attention.

Q. You are swearing to that?

A. Unless he told me. No, he wouldn't tell me. No, I wouldn't think so, no.

Q. Now, you said "unless he told me"?

A. Unless Scott told me, and I don't remember him telling me. No, no. He picked up the phone and said, "There is going to be a raid to-night." I said, "Don't tell me where it is. I know about it. The Commissioner told me." But he has not got that tape here though, has he? No. He didn't transcribe that one. The jig was up then.

Q. Why didn't you transcribe all these conversations, if you thought they were so much gibberish, as you suggest?

A. No advantage. There would be no criminal charges out of them, as far as I was concerned. And if I was conducting an investigation, I would transcribe them all. I wouldn't give you ten per cent of the iceberg. Excuse my speeches.

THE COMMISSIONER: I have been warning you against speeches.

THE WITNESS: I have got to, to answer the questions.

THE COMMISSIONER: Oh, no.

THE WITNESS: All right.

MR. WILSON: Q. Now, in the Scott reports, Exhibit 61, the eighth report under date of May 9th, 1960, he reports this telephone conversation with you.

"I was told about the raid on Petrychenko."

And he says the "I" referred to in that statement was McDermott. And then he says -- did you, in fact, tell him about the raid on Petrychenko?

A. I have never met Petrychenko in my life.

THE COMMISSIONER: Q. No, no. Answer the question. I am getting a little irritated when you are asked a question and start to make a speech about something else.

A. I don't recall.

Q. Just answer the question.

A. I don't recall.

Q. You don't recall what?

A. I don't recall saying that about Petrychenko.

MR. WILSON: Q. And dealing with that same report, Scott in his evidence at page 1649, goes on to say at line 2:

"Q. I see; and McDermott goes on
"to say that:

"'Lamorie told his contact that
"Sgt. Anderson was suspicious
"and that when Lamorie went to use
"a phone by the coffee shop Sgt
"Anderson was following him. This
"has got Laurence worried sick.'

"Q. Now, was that correct information?

"A. Yes.

"Q. Did Sgt. Anderson follow Lamorie?

"A. Yes.

"Q. So what McDermott told you was "correct in this instance?

"A. Yes, basically correct."

Now, did you make that statement to Scott, about Lamorie having told his contact that Anderson was suspicious?

A. No, I didn't.

Q. Nothing of that kind?

A. Nothing.

Q. You deny that?

A. I deny it.

Q. Have you got a copy of your income tax returns with you?

A. I don't have with me, no. I was locked up. I had them prepared to bring down but I got locked up. I can get Mr. Rose ---

Q. We will get them later and file them. I take it, your returns in the years 1954 to 1960 are pretty much the same as Feeley's?

A. There is a difference in them but they are close, I would think.

Q. Very close?

A. Very close.

Q. And did you turn to describe yourself, or did you start to describe yourself as a gambler about the same time as he did, around 1955?

A. I think so. Whatever the papers state would be right.

Q. Well, then, if you have those brought, we will file them later in the day, Mr. Commissioner.

I see there is a sameness to the point, in 1954 you called yourself a commission agent too, as well as Mr. Feeley. It wasn't until 1955 that you described yourself as a gambler.

That is all for the moment, Mr. Commissioner.

Just a minute. Mr. Carty has a thought here.

Q. Have you ever had any relationship with the two Iannuzzelli brothers at Niagara Falls?

A. I know them. How short can I make this?

THE COMMISSIONER: Q. Just short enough to give an intelligent but yet complete answer.

A. A complete answer. I know them to see them. I discussed a finance company with them for a finance company there. I discussed the business with them. That is about -- any time I saw them, I talked to them. We have talked about quite a few things. That is about all I have ever done.

MR. WILSON: Q. Have they done any betting with you?

A. I don't think either one of the brothers ever bet. I don't think so. I

couldn't swear to it.

Q. Have you done any betting with them?

A. I don't think I have.

Q. Do you know they are also looking into the possibility of opening up gambling establishments in St. Catharines?

A. They never told me that. I never.

Q. Now, just while we are in Niagara Falls. Did you ever have any connection with Peter Sacco?

A. Yes. I think the only connection -- I know him to see him. Peter. Now, wait. I am not sure which brother it is. There is one brother I know to see.

Q. There is Peter and James.

A. I couldn't distinguish between the two of them. The one, I would know his picture, if you have it there.

Q. I don't have a picture.

A. No dealings that I know of with either one.

Q. How did you kow them? What did you know about them?

A. I believe some one pointed out to me in a restaurant that he was in the pinball business.

MR. WILSON: That is all for the moment, Mr. Commissioner.

THE COMMISSIONER: We will have a ten minute recess.

---A short recess.

D/1/JH

---On resuming at 11:45 o'clock a.m.

THE COMMISSIONER: Mr. Mogg, are you ready to cross-examine?

MR.MOGG: Yes, I am, my lord.

THE COMMISSIONER: Very well.

EXAMINED BY MR. MOGG:

Q. Mr. McDermott, did I understand you correctly when you testified that you did not know how much was paid for Airgo?

A. If I said that, I meant to say that I don't have the figures in my head right now. That is the impression I intended.

Q. Well, how much did you actually - you and Feeley actually pay in cash?

A. There must be a record of it, I don't have it.

Q. Who would have the record?

A. I would think that Humphrey and Locke, the firm that handled the deal, would have the record.

Q. Wouldn't you be interested in how much money you were going to pay, or was this just a small matter, in terms of thousands of dollars, that you did not pay any attention

to it?

A. At that time, sir, I probably went into it in great length, and weighed it up, and then dismissed it once I had made the decision, and dismissed it from my mind.

THE COMMISSIONER: You say you don't know now how much you would pay?

A. No, but there would be a record.

MR.HOGG: Q. What was the purchase price?

A. I have already said I don't know that.

Q. You don't know what the purchase price was, and you don't know what you paid down?

A. No, I don't.

Q. Did you pay the money over to your solicitors - did you hand the actual cash over to them?

A. I don't recall if it was cash, or how it was done.

THE COMMISSIONER: Whether it was cash or cheque, or bank draft?

A. Exactly.

Q. Did you put your solicitors in funds?

A. I think we must have eventually, yes.

MR. HOGG: Q. Now, was it in terms of cash, or by cheque?

A. Or draft,or some other way, I don't

know that. I am saying I don't know that.

Q. It might have been a cheque?

A. It may have been a money order.

Q. It may have been a cheque?

A. It may have been.

Q. And what bank would that cheque have been written on?

A. Possibly Feeley had an account. This is more speculation, I am not swearing to this.

Q. How many aircraft did this company have at that time?

THE COMMISSIONER: At what time?

MR. HOGG: Q. At the time of the purchase?

A. I would only be guessing again, I think it had three or four, I can't be sure.

Q. And subsequently,how many aircraft did you acquire?

A. I would only be guessing again, I know of two that we had -- we'd discussed two aircraft, they were a new model, and whether we took them on a consignment basis - there were two little small Luscombe aircraft which came into the company - I don't think they were in at the time, or whether he had been negotiating with them at the time, but the company we took over,the manager of the company stayed on, a fellow by the name of - now, --

Q. Mr. McDermott, that is not answering my question. I am asking you how many aircraft did you acquire after you purchased the company? Surely that is an easy thing to remember?

A. No, it isn't, because I didn't take too much responsibility in it at all.

Q. Who did?

A. In fact --

Q. Who did?

A. The manager that was previous - that worked for the two lawyers that we bought it from, he stayed on.

Q. Would he be purchasing aircraft on his initiative without discussing it with you?

A. He possibly discussed it with us.

Q. It is your evidence that you do not know how many aircraft that you had?

A. That is my evidence.

Q. Now, what did you purchase this airline for?

A. Because it was, at the time it looked like a good investment, and the price was right.

Q. I believe Feeley has testified that the aircraft were to be used in connection with mining operations. Do you agree with that?

A. He may have had that in mind.

Q. Is that in your mind?

A. It may have been. I think we'd another aircraft that we were using for mining. We were borrowing Reid's aircraft that we were using on mining. It may have been in their mind at that time, I cannot tell you exactly now.

Q. Would you agree with me that most of these aircraft were on wheels, and were unsuitable for northern operations?

A. No, I would disagree with you.

Q. You would?

A. I know one of them that was on floats.

Q. Just one - it was a Cessna-185?

A. I would only be guessing.

Q. You flew the aircraft, didn't you?

A. What was it, sir?

Q. Cessna-180?

A. There was lots of Cessna-180's that I flew.

Q. This one owned either by yourself or by Airgo?

A. What were the letters?

Q. It says Cessna-180. You would know if you had a Cessna-180, if you took a trip down in it to the Caribbean, and flew it around?

A. Is that the one you are referring

to? The one that went to the Caribbean - that was Reid's machine.

Q. I am asking you whether you had a Cessna-180?

A. Personally - me myself, no.

Q. Either you or Airgo?

A. I cannot say about Airgo. I cannot say about Airgo.

THE COMMISSIONER: Who would know what planes Airgo had?

A. The manager.

Q. What was his name?

A. Mr. Lingham.

Q. Just a moment - Lingham?

A. Yes.

Q. What is his first name?

A. Mr. Jack Lingham.

Q. Yes?

A. He was in the R.A.F., he was a war pilot, and a very competent chap.

Q. He was with Airgo before you were there?

A. Yes.

Q. Yes.

A. Yes, and he wanted to buy it and then --

Q. Never mind that. He was there at Airgo before you took it over and he remained there after you took Airgo over?

A. Yes, I think that was the way it was.

Q. Yes, and if machines were bought by Airgo, if you took it over, he was the man --

A. He could tell us.

Q. He was the man who made the arrangements?

A. Yes.

Q. And who supplied him with the money?

A. I imagine counsel would put him in money and we would put our counsel in money.

Q. You imagine?

A. That is what has happened, yes. That is the only way I can see it hapened.

Q. Is that the way it happened?

A. I think that is the way it happened.

Q. I see.

MR. HOGG: Q. Your evidence I take it then is - your inference is - or the inference one would draw, would be that you had such a considerable amount of money that the purchase of an expensive aircraft would be a matter that you now could not recall?

A. You might draw that conclusion. I wouldn't.

Q. How do you account for the fact that you can't remember how many aircraft you purchased and paid for?

A. Because that was a corporation, or a company, and whatever assets came - that

were in it - they came with it.

Q. Your lawyers weren't purchasing assets for you, were they?

A. I don't understand your meaning.

Q. Would your lawyers ---

THE COMMISSIONER: They would not purchase it without your okay?

A. I don't think, no.

Q. No, because you were putting up the money.

MR. HOGG: Q. This purchasing of these aircraft, did they have to then negotiate the deal?

A. Who would say that?

Q. Who would hand over the money to the vendors - or did your solicitors?

A. I have already said I don't recall exactly.

Q. You can't recall?

A. I don't recall.

Q. Whether you bought any aircraft and handed over thousands of dollars?

A. I don't know.

Q. How many hours have you flown?

A. Guessing, I would say between 75 and 100. I would think it would be less than 100 hours.

Q. Where is your log?

A. I don't fly now. I don't know, it may be around somewhere.

Q. It is not available?

A. No.

Q. Is that right?

A. I could possibly hunt it up for you, if you want it, but that is what I am telling you now.

Q. Did you ever fly a Cessna-140?

A. Cessna-140?

Q. Yes.

A. As I have told you, a 180 and a 140, all look the same to me. I don't like airplanes, I never did, and I don't now. And I don't know the difference between them.

Q. Your evidence is you cannot tell the difference between a 140 and a 180?

A. So help my God, and Mr. Humphrey will tell you that I am definitely afraid of them.

Q. $15,000 to $20,000 in price?

A. You probably know that better than me, I would not think - they all look the same to me.

Q. It would be like a Volkswagen and a Cadillac?

A. I could tell you about a race horse, but I cannot tell you about airplanes.

THE COMMISSIONER: Q. Can you tell me this; have you always been afraid of airplanes?

A. Yes, that is why I quit it.

Q. Why did you start taking lessons?

A. Because everybody was doing it, it was fashionable.

Q. If I am afraid of airplanes, I would not want to take lessons.

A. It is a lot of damned nonsense.

Q. If you were afraid, why did you start taking lessons?

A. I have done lots of things in my life that I have been afraid of, I don't know why.

Q. You cannot explain that?

A. I can't explain that. There was no ulterior motive. Again, I don't know what this is all about.

Q. All right.

MR.HOGG: Q. What about a Tri-Pacer?

A. I would not know one if I saw it.

Q. A Cessna-172?

THE COMMISSIONER: He says he doesn't know.

THE WITNESS: I don't know them, honestly I don't know them.

MR.HOGG: There is a basis for this, my lord, if you will bear with me for a few more questions.

THE COMMISSIONER: All right.

MR. HOGG: Q. And there were two Luscombes?

A. Well, the reason I know that is they were not painted, and then they were, and

I would not recognize them if they were painted. When they came they were not painted, and they were silvered, and I said this is a new one, the Luscombe.

Q. Were most of those on floats?

A. I don't know which had, I knew one that was on floats.

Q. Now, the s 140 was - I suggest the price of that was $3,300? Did that seem reasonable?

A. I wouldn't understand it at all.

Q. Now, did you take any flights in any of these aircraft to the States?

A. Did I take any --

Q. In aircraft owned by yourself or by Airgo?

A. I may have.

Q. How many times did you go to the States?

THE COMMISSIONER: Don't you recall?

A. I don't, I don't.

MR. HOOG: Q. You would recall, surely?

A. If you would tell me the trip you are talking about?

Q. You tell me how many trips you took?

A. I couldn't start to recall.

Q. You are a pilot, it would be entered in your log book, and you say that you are scared of flying?

A. It would not be logged if I did not fly it.

Q. That is right.

A. You are referring to a trip when I landed in the Niagara River one day?

Q. I am asking you how many times you flew an aircraft to the States, either owned by Airgo, or owned by yourself?

A. Now, you will have to define the Niagara River, is that in the Statesor is that in Canada?

THE COMMISSIONER: Well, let us assume that it is in Canada.

A. Well, my answer would be no, to you.

Q. All right, then. Let us assume it is in the States, now answer the question.

A. I did fly across the lake on my solo - I think - I am not sure - I am think it was my solo flight, and I wanted to get calm water to land in, because I was darned nervous, and I landed in the Niagara River.

MR. HOGG: Q. Apart from that flight, did you fly in wheeled aircraft in the States, and land at any airports?

A. The T.C.A.

THE COMMISSIONER: No.

MR. HOGG: I have gone into this three times.

THE COMMISSIONER: In any plane owned

by yourself or Airgo?

A. I may have, I cannot answer that, if I have or not. I honestly couldn't. If you tell me the flight you are talking about I will have an idea.

MR. HOGG: Q. You say you may have. Where would you be flying to in the States?

A. I haven't got a clue. There was a flying school there, there was aircraft, I was learning to fly.

Q. If you went there, do you recall checking through customs or not?

A. I don't know. I don't recall what you are talking about.

Q. Did you fly to the States in one of these aircraft piloted by someone, did you go as a passenger?

A. I may have.

Q. Where?

A. I couldn't tell where, there might be all kinds of times I did that, I don't know that, in what year.

Q. You say you may go to the States a number of times, but you can't recall?

A. Exactly what I am telling the Commissioner.

Q. How long have you known Papalia?

A. Oh, when he g dropped into the club, while the club was open, he was in the club on two or three occasions, that is the only

way I know Papalia.

Q. He was only there on two or three occasions?

A. No more than five, I wouldn't think.

Q. And are you now confining yourself to when the gambling operations were taking place?

A. I don't understand your question.

Q. Was this the evening when the gambling operations were in process that you are talking about?

A. That would be the only time I would be there, pretty well.

Q. Did you ever meet him at any other place except the club?

A. Not that I can recall, I may have.

Q. Did you go on any trips with him out of town?

A. Not that I ever recall.

Q. Did he ever fly to the States in any of these aircraft to your knowledge?

A. To my knowledge?

Q. Yes.

A. Did he?

Q. Yes.

A. Never to my knowledge that I recall.

Q. Now, you know something about the background of this man, his criminal record?

A. I didn't.

Q. Are you saying, Mr. McDermott, that you didn't know that he had a criminal record?

A. I didn't, until Feeley's evidence, that he was in Guelph with him, or something. Feeley had never discussed that with me, and I never asked that of either of the men --

THE COMMISSIONER: Don't make speeches, just say you did or did not know.

THE WITNESS: The inference is that --

THE COMMISSIONER: No, no, there is no inference at all.

MR.HOGG: Q. Did you ever have any financial dealings with him, did any money pass from him to you, or from you to him?

A. At the crap game?

THE COMMISSIONER: Q. At any time.

A. Maybe atthe crap game, yes. No other time that I can ever think of.

MR.HOGG: Q. I don't mean a loss or a win, on a bet; did you ever give him any money?

A. Not that I can think of.

Q. Are you denying that you gave him money?

A. To the best of my ability, not that I can think of.

THE COMMISSIONER:

Q. Were you reasonably intimate with him?

A. No, no, I wasn't.

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MR. HOGG: Q. Did he ever perform any sort of services for you, or did you ever request him to do anything?

A. Never in my life, never in my life did I ask him to do anything for me.

Q. Did he ever collect any debts - gambling debts - for you?

A. Never in my life did he ever collect a gambling debt for me.

Q. Were you ever at the Westbury Hotel with Papalia?

A. Not that I ever remember, in my life, that I was ever - where is the Westbury Hotel - I don't know.

THE COMMISSIONER: Q. You don't know it?

A. No, I don't think I have ever been in it.

Q. On Yonge Street, not far from here?

A. I don't think I have been in it.

MR. HOGG: Q. This man called Blair you have heard about, is he a member of the club?

A. No. Of the Cooksville Club?

Q. Yes.

A. He may have been, I don't think he was, he may have been, but it would be a good many years ago if he was.

Q. Did you ever give him any money?

A. Yes, for the Simone crap game, it was the only dealings I had with Blair that

I can recall.

THE COMMISSIONER: Q. What do you mean by that? Amplify that - you gave him money for the Simone crap game - what do you mean?

A. It was him and Feeley and I, or I, dealt with him - he solicited us.

Q. Never mind about the soliciting, what do you mean when you say you gave him money for the Simone crap game? What do you mean?

A. To put up our money.

Q. To finance the deal?

A. I think we gave him a thousand or two when we took a percentage for the crap game, it was to be used as a percentage. I think the place lost. He phoned me that we need more money, and I may have given it to Ralph to take it down to him, and I phoned him and said if he got it ex all right, and outside of that I had no dealings with that man.

MR. HOGG: Q. Did he collect any money for debts owed to your club, as a result of gambling losses?

A. What club?

Q. Cooksville?

A. Never in his life.

Q. Any other club?

A. I don't know that, I cannot answer that.

Q. On your behalf?

A. Never on my behalf, never.

Q. Would he be aware of people who had lost at the club?

A. I couldn't tell you that. I couldn't tell you what he would be aware of.

Q. That is Cooksville?

A. Yes.

Q. And members that owed you money?

A. No, I wouldn't certainly tell him - may I make a short speech?

MR.HOGG:Q. What reasons would he have to call on people who owed the club money, or owed you money?

A. You will have to ask Mr. Blair.

Q. If he did that, would he be doing that on his own behalf?

A. I don't believe he ever did it.

Q. If he did that, would he be doing it on his own behalf?

A. He would not be doing it, on my behalf, or any of my partners in the Cooksville. I wouldn't think of it, because it was an organized place where you didn't have todo it, and it was people of honour who came in there, and men will pay a gambling debt before any other debt - and that is my speech.

Q. Do you call Papalia, a person of honour?

A. Papalia never had any credit out

there that I know of.

Q. But you are talking of people of honour that walked in. Do you say Papalia is?

A. No, I don't.

Q. Was he a member?

A. I don't think he was, I don't think he was.

Q. His name appears on a list that he was?

A. Is that a membership list, or is that the list of the bird watchers -- is that the list of the bird watchers?

Q. You are not suggesting he was a bird watcher?

A. I am not suggesting anything about him - I am not. You are trying to put me - associate me with his name - he was no associate of mine in any way, shape, or form.

Q. Have you ever discussed with anyone the fact that Papalia was trying to muscle into your club?

A. Never.

Q. Discussed with anyone?

A. Someone may have said that Papalia tried to muscle in my club, and and I might have said no, and that it is a lot of rubbish, muscling in, you don't find this in Ontario.

Q. You don't?

A. I never have, and I have done a

lot of gambling, and nobody has ever paid me for anything, if so they would have to fight me and nobody has fought me.

Q. Mr. Wilson asked you questions about the Ramsey brief, and would you agree with me that whoever prepared that brief, and I am sure at some time you studied it quite carefully, was it to put this club out of business - somebody was?

A. Here again you are asking me for an opinion. I don't have to answer opinions or give my version of this. I don't know what they were doing or what their motives were, it is speculation again.

Q. Can you think of any other motive?

A. I think that Feeley and I both give the motives that Ginsey had - what we thought he had.

Q. Now, do you recall the time that Feeley went missing and, it turned out apparently that he was on a drunk?

A. Yes.

THE COMMISSIONER: He remembers that.

MR. HOGG: Q. You had apparently some discussion with Humphrey about this, you went to his apartment, and gained entry by having a young boy go through the milk box and open the door. Do you recall that?

A. I definitely did, yes.

Q. I take it you were very concerned

about Feeley's absence?

A. Very concerned, yes, and was scared he was on a bender, yes.

Q. Just a moment, and frightened that he had been done in?

A. No.

Q. By some opposition?

A. No. Mr. Humphrey jumped to that conclusion, but I told him, "Dave, don't jump to that conclusion".

Q. So, when he says that you were somewhat concerned about it, he is referring to the fact that somebody was doing him in?

A. You are saying that, I don't say that.

Q. That is what Humphrey said?

A. He is a man you asked about it.

THE COMMISSIONER: Q. You were not concerned about his absence?

A. I was concerned about his health, yes, and that he was hitting the bottle. That is what I was concerned about. I was concerned in case he got hit by a car, and was in the hospital, but I was not concerned about any hoodlums.

MR. HOGG: Q. Did you tell Humphrey you were?

A. I don't ever recall saying that. I think he told me that he was quite concerned, because he knew we were in the gambling business,

and when a person is in the gambling business, you get all this stuff, it is part of the game.

Q. But you were not concerned at all that he might have been done in by some other hoodlum?

A. I discussed it with Mr. Humphrey, he had a conclusion, I had a conclusion, and his conclusion was that, and I don't think I had that conclusion at all.

Q. Humphrey swore that it was your conclusion, and that you were the one that was concerned about it, not him.

A. Well, now, we are splitting hairs. I don't think it was my conclusion.

Q. You deny that under oath?

A. Do I deny it under oath? I can only be guessing at it, I don't think at this time that I thought that at the time.

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THE COMMISSIONER: Just a moment. A minute ago you said something that when in the gambling business it was part of the game.

A. People think this.

Q. Just a moment. Mr. Reporter, will you please turn back to your notes, please.

THE REPORTER: Yes.

THE COMMISSIONER: To get the continuity, read a little piece before that.

THE REPORTER: "A. I don't ever recall "saying that. I think he told me "that he was quite concerned, because

"he knew we were in the gambling
"business, and when a person
"is in the gambling business,
"you get allthis stuff, it is part
"of the game."

THE COMMISSIONER: What did you mean by that?

A. That is things - if anybody thinks you are in the gambling business, right away they think you are a mobster, or a murderer, or a bad guy, that is the impression, and that is part of the game when somebody thinks you are a gambler.

Q. That is what you thought you meant. I thought you meant this, that in that particular fraternity there have been from time to time cases of murders and so forth, I thought that is what you meant.

A. Not in Ontario.

Q. Well, not necessarily in Ontario, but we read across the line, and I thought that is what you meant?

A. I can assure you I don't, because it was a respectable business years ago, and as every year goes on it is not respectable. If I had the clock to turn back I would like to turn the clock back, it is not a respectable business any more.

Q. Now you are making speeches again. Well, do you agree that it is not

respectable now, and from time to time there are murders, and persons engaged in the business from time to time disappear, and you don't hear anything more about them, and so on, that is the situation today, isn't it?

A. Not in Ontario, in the United States.

Q. Never mind what it was before, that is the condition today?

A. In the United States.

Q. In the United States.

A. Yes, and on television, you see it all the time --

Q. Never mind about the television, that is a fact?

A. Not in Ontario.

Q. Not in Ontario?

A. Not in Ontario, not in Ontario.

Q. Why would there be a distinction?

A. Because we have never had it here, I don't think, I never knew it. I was in the gambling business for twelve or fifteen years and never ran into it, I never heard of it.

Q. Sarip Mitchell disappeared?

A. I understand that the O.P.P. knows he is around Fort Erie, living down there, that is what Borelli told me.

Q. Did he - Borelli - tell you that?

A. Yes.

Q. When?

A. A couple of months ago.

Q. As recently as that?

A. Yes, about the time that a fellow went down with the O.P.P. and said, "Are you looking for Mr. Mitchell, he is down in Fort Erie".

Q. That is what Borelli told you?

A. Yes.

Q. Borelli told you that he had been talking to the Provincial Police?

A. No, that a fellow he knows was.

Q. Yes?

A. Had been talking to him, to this fellow, and the fellow told him he had gone to the O.P.P. and reported he had seen Serip Mitchell.

Q. Did he say who the fellow was? Get Borelli up here as a witness - this is within the last few weeks that Borelli told you this?

A. The last couple of months.

Q. Where was it?

A. I don't know where it was, he will tell you about it.

Q. Yes, he will tell us what he knows about it, I suppose, but where was - where were you when he told youthat? Was that in one of the telephone conversations?

A. It may have been.

Q. Can you recall?

A. I don't recall, I don't recall.

Q. All right.

A. But I would not know Scrip Mitchell - I had never seen him - I had never seen the man before, I would not know him.

MR. HOGG: Q. Mr. McDermott, did you call on the same day that you gained entry to the apartment, by means of this young boy, did you phone the chief of the Toronto homicide squad, Inspector Bernard Simmons?

A. I believe Mr. Humphrey did.

Q. Did you phone him?

A. Not that I recall.

Q. Did you go down with Humphrey to see Inspector Simmons?

A. I couldn't recall now.

Q. Now, are you swearing under oath that you can't recall whether you went down to see the chief of the homicide squad to tell him --

THE COMMISSIONER: His name being?

MR. HOGG: Inspector Bernard Simmons, he is now a staff inspector at Headquarters - are you swearing under oath that you can't recall whether you went down to police headquarters to see the chief of the homicide squad and tell him that you were afraid that your partner Pooley had been murdered?

A. That is exactly what I am swearing

to.

Q. That you can't recall?

A. You may call him here and ask him. I don't recall.

THE COMMISSIONER: Q. You are saying you can't recall?

MR. HOGG: Q. Are you denying that you called?

A. I am neither denying it or saying that it is true.

Q. Isn't that the sort of thing that would stick in your mind, that if you went down to a senior police official, to complain about your partnerbeing murdered, that you could recall it?

A. That is why I don't recall it.

Q. And you think that is something that could escape a person's mind?

A. It has completely, because I don't recall being there. If he says I was there, that would be - he would make a note of it.

THE COMMISSIONER: Q. Now if you were there, as Mr. Hogg suggests, then you were very much concerned with the possibility of Feeley having been murdered?

A. Not if I was with Mr. Humphrey, and he was concerned, and I accompanied him.

Q. I should have thought that if you were not concerned, and Humphrey was, that

you would say to Inspector Simmons, "Well, this is just a lot of nonsense, I am not frightened that Foeley may have been murdered"?

A. Not with my counsel there, I wouldn't.

Q. You wouldn't?

A. No.

Q. To use your language of yesterday, that would be damned embarrassing to you, wouldn't it?

A. If I would have been there, it would be damned embarrassing, and you can have Mr. Simmons and ask him if I was there pretty quick. This is more mysteries.

MR.HOGG:

Q. Did you discuss with Inspector Simmons how long a person could live in a trunk of a car?

A. I believe Mr. Humphrey did.

Q. In your presence?

THE COMMISSIONER: Q. In your presence?

A. I don't know if - I thought it was on the telephone - I thought it was on the telephone he discussed with me, where is Pete's car, let us drive his car. I said, "I don't know where his car is, his car isn't home, maybe he is in the trunk, how long can a man live in a trunk?".

Q. Who said that?

A. He might have said it to Humphrey, or he said it to me, "How long can a man live

in a trunk?".

MR. HOGG: Q. Do you recall Humphrey phoning Inspector Simmons?

A. Now we are coming to it. I think I did - I think I did.

Q. And did you speak to Simmons yourself?

A. I may have, I don't recall, that is why I don't recall - I don't think I had been down to see the man.

Q. Subsequently to this, have you made some inquiries as to what notes, or recollection Inspector Simmons has of this occurrence?

A. Never in my life have I made any inquiries of what an inspector has in his notes.

Q. Have you discussed this incident with anyone in the last two years?

A. Not that I recall. I may have, I may have, it was in all the papers.

Q. I want to read you part of Humphrey's evidence, which is in Volume 17, page 3596. This is on page 3595, and Humphrey testifies that you called him, and were very agitated, and told you that Feeley, or that he told Humphrey that Feeley was last heard of on a Sunday afternoon at a dinner at some person's house, and then Humphrey goes on to testify under oath:

" . . . McDermott phoned me next
"day, and what - he was very very
"concerned about it, and I remember
"driving out to his house, discussing
"it with him, and we went to his
"apartment, that is Feeley's
"apartment. I think we gave some
"young boy a dime to go through the
"mailbox, and we went in and Feeley
"wasn't there, and McDermott at that
"time said something in connection
"with the brief. That is my best
"recollection, that some people Feeley,
"that he brought up in the brief
"were pretty annoyed with him about
"it,and that he felt that they may
"have done something to Feeley, and
"the only persons I can think of
"is they are the persons named in
"the brief. McDermott requested
"my advice and my advice was to phone
"the police, and we phoned Inspector
"Simmons of the homicide squad.
"Inspector Simmons discussed the
"matter with Mr. McDermott, and
"with myself, and McDermott at that
"point was concerned that Feeley
"was in the trunk of acar, and was
"enquiring from Inspector Simmons
"how long somebody could live in

"the trunk of a car."

Q. Now, is that what occurred?

A. In Mr. Humphrey's mind maybe that is what occurred, not in my mind. It is going back quite a ways, and we would have all different opinions. I have a different opinion.

THE COMMISSIONER: We have Humphrey's story.

THE WITNESS: Well, my story is now, the way as I see it today, that I may have called Humphrey, which he says,I may have said that Feeley isn't around and can't find him, and, "Have you heard from him, and do you know anybody who would know where he is?". We both went out to his apartment, we did go out to his apartment, and put a young lad through the mailbox, and Feeley wasn't home, his car wasn't around, and I thought in my mind, as I think today, that Mr. Humphrey suggested phoning the police, I don't recall any conversation about the brief at this time and if that had gone through his mind, it doesn't run through my mind at all. It completely escapes me, and whether I talked to Simmons or not, I couldnot swear that I talked to him now, or I did not talk to him, I don't know him, I don't know that man.

MR. HOGG: Q. You would not expect

Humphrey to testify untruthfully, would you?

A. Not intentionally, that is probably what he thought at that time.

Q. Why would you be concerned about how long a man could live in the trunk of a car?

A. How do you mean? I don't understand your question.

Q. Why would you be concerned about how long somebody could live in the trunk of a car, unless you thought ---

A. If somebody told you that your partner might be in the trunk of a car, wouldn't you say how long could a man live in the trunk of a car?

Q. Who told you that?

A. I don't know who said that. I couldn't swear he did or didn't, he may have said it, I don't recall it.

Q. If he said it to you?

A. If I said it.

Q. Why would you be so concerned?

A. I think --

Q. Who would you get the idea from?

A. It is very obvious, isn't it?

Q. Isn't it because you had fingered the Ramsey Club, to use your own expression?

A. I didn't use that expression.

Q. And then getting back at ---

A. I didn't use that expression more

than any words you put in there. That is your expression, and I never fingered the Ramsey Club or anything else, and whoever sent that brief in originally ---

THE COMMISSIONER: Just a moment.

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/GR3/1

THE COMMISSIONER: Just a moment, Mr. McDermott.

A. --- but as ---

Q. Just a moment.

A. --- as he had me down ---

Q. Just a moment! Would you read that part of Humphrey's evidence with respect to the Ramsay Club?

MR. HOGG: Yes, sir.

THE COMMISSIONER: You pay attention.

MR. HOGG: It is:

"I think we gave some young boy a dime
"to go through the mail box, and we
"went in and Feeley wasn't there,
"and McDermott at that time said
"something in connection with the
"brief. That is my best recollection,
"that some people Feeley, that he
"brought up in the brief were pretty
"annoyed with him about it, and
"that he felt that they may have
"done something to Feeley, and the
"only persons I can think of is
"they are the persons named in the
"brief."

THE COMMISSIONER: Now, then, do you remember that conversation?

A. No, I don't. He says that "to the best of my recollection". Well, his recollection isn't too good as far as that

is concerned. That is what I wanted to say, to the best of his recollection. To thebest of my recollection the brief was never discussed at that time. That is what I have given under oath and that is what I say now.

Q. All right.

A. And I see no statement ---

Q. All right. You made your answer. Don't repeat it.

A. He had me in the position of saying, apparently, it seems so, that all these reporters would have it that I went down there making a deal with him, or something.

MR. HOGG: Q. Now, whoever produced this brief, and was responsible for the old Ramsay Club going out of business, would you agree that you profited from it financially?

A. Would you say that again?

Q. From the fact that the old Ramsay Club went out of business, did you profit from that financially yourself?

A. I gave evidence yesterday that the old Ramsay Club, the new Ramsay Club and the coming Ramsay Club were all the same club as far as I was concerned, and I had no profit from any of them, and didn't care, and had nothing to do with it. That was my evidence under oath.

Q. You never got a cent of profit from the Ramsay Club?

A. Never five cents, unless I got it, and I think I gambled there on one occasion, or two occasions.

Q. Now, you did get a profit, of course, from the Cooksville club?

A. Yes.

Q. No question about that?

A. I think I swore to that, yes. If I didn't, I will now.

Q. Now, what was your profit in terms of percentages?

MR. ROSE: Perhaps he would make that question clear.

THE COMMISSIONER: I don't understand that.

MR. HOGG: All right. Perhaps I can put it this way:

Q. If on a night the club made a profit of three -- say $30,000, what would the profit to the gamblers be?

A. $30,000.

THE COMMISSIONER: Don't try to make a joke out of it. What would your percentage be of $30,000?

A. It is an awful big figure to start with.

Q. Well, never mind whether it is big or small. On the assumption that the

club did make $30,000, what was your share of it?

A. Whatever I had -- whatever portion I had of the bank at that time.

Q. Well, that varied from time to time?

A. Pretty well.

Q. And what was the highest?

A. The highest portion I had?

Q. Yes, percentagewise?

A. Between Feeley and I?

Q. No, yourself?

A. Maybe twenty per cent.

Q. Between you and Feeley now?

A. Maybe forty.

Q. Forty. It was always equal as between you and Feeley?

A. Some nights I wouldn't even have any.

Q. Was it always equal between you and Feeley?

A. No, not always. I don't think so.

Q. What would be the lowest? The highest was twenty per cent; what would be the lowest?

A. What did you say?

Q. Don't you know what I said?

A. You said, what would be the lowest?

Q. Yes.

A. Lowest of what?

Q. The lowest percentage? You say it varied from time to time, and the highest would

be twenty, and what would be the lowest?

A. Nothing.

Q. Well, that is ---

A. Some nights I didn't have any.

Q. Well, when you did have something in there, it varied from twenty as the high ---

A. That could vary to anything. You could say I had fifteen per cent, somebody says I will take half of your fifteen, seven and a half, I would say, all right, you got seven and a half.

Q. All right.

MR. HOGG: Q. Now, in the betting operations give us, as opposed to the Cooksville operation, what was your profit in terms of percentage?

A. Would you define that for me?

THE COMMISSIONER: Mr. Hogg ---

MR. HOGG: We have a record, my lord, of some amounts that were specifically bet in some places.

THE WITNESS: If they put it to me I would try and explain it.

THE COMMISSIONER: I haven't any doubt about that, but what good is that going to do? You are going to have this man's answer, you can't refute it. Why waste time?

MR. HOGG: Well, perhaps, Mr. Commissioner, you may allow me to come back to this later, if we have some additional ---

THE COMMISSIONER: He was in the book-making business, and he made a lot of money. That is right, isn't it?

A. It just depends what you call a lot of money.

MR. HOGG: My question, Mr. Commissioner ---

THE WITNESS: If I had been in the mining business I would have made a lot more.

MR. HOGG: --- if a certain amount of money was bet, what percentage would the operator derive from it. Now, there have been cases where that has been established, and there are records of it.

THE COMMISSIONER: If you expect you are going to get any helpful answer from this witness, then do so.

MR. HOGG: I will leave that.

THE COMMISSIONER: You are more optimistic than I am.

MR. HOGG: Well, that may be, Mr. Commissioner.

Q. Mr. Wilson asked you, witness, about how long you knew Mr. James Maloney. Your answer was what?

A. I think my answer was -- I don't know there. It might have been six, seven, eight years, or more. I knew him -- I knew him before he was the Minister of Mines, whenever he got to be the Minister of Mines, whatever year that was.

Q. Did I understand your evidence correctly when you said that your only contact with him was in regard to mining operations of yours?

A. You mean did I have any other business dealings with him?

Q. Yes, business or social dealings with him?

A. If I met him on the street I would stop and say, "Hello, Mr. Maloney." If I met him up in the Department of Mines -- I think I got some films off him one time. I mean when I got films off him I may have said, "How are you, Mr. Maloney." There were many occasions when he was having dinner in the dining-room, I might walk over to his table and say, "Hello, Mr. Maloney".

Q. Now, filed here as exhibits, and tendered in connection with evidence about the Simple Finance Company, Exhibits 154 A and B. One is a letter written by James Maloney to the Superintendent of Insurance, and the other is a letter to the same person by Arthur Jolley. I take it that Arthur Jolley was not a good friend of yours?

A. No, he was -- he wasn't, just a casual "hello" on one occasion, I believe.

Q. Just on one occasion?

A. That I can think of. I am not swearing to that. That is the way I have got

it in my mind now.

Q. And so when he says that "I have come to know him well", referring to you, that is not a correct statement?

THE COMMISSIONER: Well, I know, but why waste time going over that? We have it well established that Jolley wrote it and said that.

E/2

THE WITNESS: Politics.

MR. HOGG: Q. Where would Jolley have got this information from?

A. I didn't know.

Q. Have you ever discussed these letters with Maloney?

A. I don't believe I did.

Q. There is a statement here that McDermott saw service in France with the Royal Canadian Artillery, and acquitted himself honourably for the four years that he spent with the Army. Now, did you spend four years in the Army?

THE COMMISSIONER: No.

THE WITNESS: No, and I didn't put that in the letter, and I don't know where he got it, but whoever give it to him probably made it up. I didn't make it up.

MR. HOGG: Q. The fact is you were in jail at the time, were you not ---

A. I don't know the time you are referring to.

Q. --- being referred to? Well, it would be some time after the 6th of June, 1944, and youleft for two years less a day in August of '44?

A. Well, then, that would be right.

Q. Did you ever tell Maloney that you had been in the Army in France?

A. I think he asked me if I had been in the Army, and I may have told him I was in the Army and got an honourable discharge, but he never asked me the time or length.

Q. That was because of ill health, was it?

A. That is what the discharge says, yes.

Q. Health improved after that?

THE COMMISSIONER: Oh ---

THE WITNESS: Being facetious now. I couldn't do it.

MR. HOGG: Q. Now, there has been evidence concerning the Goose Club, James Bay. Who arranged that meeting that brought everyone together?

A. Referring -- would you define who you mean? Brought who together?

THE COMMISSIONER: Who arranged the hunting party to Goose Bay?

A. For our party?

Q. Yes?

A. I think I may have.

Q. You think you may have. Don't you

know if you did?

A. I was there two or three years. This is ---

THE COMMISSIONER: Well, you know ---

A. --- which year?

Q. Now, please, you know, Mr. McDermott. You are not that stupid. In fact, you are not stupid at all. You know the party we are talking about, don't you?

A. I was there on three trips. You go up with a new party.

Q. All right. When the group from Detroit were there.

A. All right.

Q. Now, do you know the one?

A. Yes.

Q. Who arranged it? It is a simple question.

MR. HOGG: Feeley said that you did?

THE COMMISSIONER: Now, please!

MR. HOGG: I am sorry.

THE COMMISSIONER: Who arranged it?

A. When you say arranged it ---

Q. Yes?

A. --- you mean formed the reservation and made the ---

Q. Yes? Who arranged for the hunting party?

A. Well, I know that Mr. Ryan says that I did. I think I phoned the girl at the

Goose Camp. There was an ad. in the paper, if I recall it, and I phoned the girl and that -- I phoned over here, and made my reservation -- she was at the Royal York Hotel, in the basement with some Airline, and I asked the girl to give the reservation.

Q. Well, then, are you saying you made all the arrangements? I am not suggesting there is anything wrong with it, but you in fact did do it?

A. I didn't get the boat. I didn't get the train. I didn't get the food. I didn't get any of that. I just phoned, put McDermott down for six people, if I did do it.

Q. All right, and you did.

MR. HOGG: Q. Now, where did you ---

A. I probably did. I think I did.

THE COMMISSIONER: Yes.

MR. HOGG: Q. Did you know any of these men before?

A. I knew one man, Dominic Cerrado, from St. Michael's College here in Toronto.

Q. And since you had left St. Michael's College ---

A. I didn't go to St. Michael's.

Q. --- did you keep contact with him?

A. I didn't go to St. Michael's College, I went to St. Leo's. No, I didn't. I ran into him in Florida, and he took me fishing, and I told him that the good -- that I would

return the -- return it, and you take my phone number, and I said give me a call if you ever like to go goose hunting. I was up last year, and it is darn good, lots of geese, and it is a good shoot, and a good place to eat, and he accepted it, but he paid his own way.

Q. How did the Toscos happen to be there, and Nali?

A. Not on my instructions. I have never met those people in my life.

Q. Whose idea was it that that party came up?

A. I consider it was his own idea. There were threeof us in our party and three in their party.

Q. They were total strangers to you? Had you heard of them before?

A. Never in my life have I heard of them, and I talked to them since, and found none of them had any criminal records. Their uncle or their father or somebody done something, now they are Mafia.

THE COMMISSIONER: Well, are you saying that he brought them?

A. He did.

Q. He had nerve enough to bring them without telling you that he was going to bring them?

A. He may have told me, "I am bringing

these two other chaps", the same as I did.

Q. All right.

A. They slept in their own cabin, we slept in our own cabin.

THE COMMISSIONER: Let's get on, Mr. Hogg.

MR. HOGG: Q. You made the statement yesterday that any one -- to the effect that any one who gambles will go broke?

A. That is an opinion.

Q. That is the opinion that you gave. Now, I take it you have not gone broke?

A. Darn close to it, with all the legal fees I am paying, and that is nothing to laugh at.

Q. All right. Didn't you put money into finance companies?

A. Took it back out again.

Q. Apartments, an aircraft ---

A. A lifetime's work down the drink.

Q. It is a lifetime's work?

A. My whole life savings.

THE COMMISSIONER: Now, now.

A. Down the drink.

MR. HOGG: Q. When you went to see Bartlett at his home, and were expecting this recommendation, then, would you think a senior police officer would give a recommendation to known gamblers who had criminal records on file with their Department?

A. Because Peeley had made arrangements

with Jack Shrubb to -- and on his say-so it was -- we were just to go up there and it was all right to just go and see him, and get the recommendation.

Q. That is a very odd place to transact business of that sort, at a senior police official's home rather than his office during the day?

A. I would never do it again. It was very embarrassing when it happened. I knew the minute I got on the front porch it was wrong.

Q. Are you saying this was Shrubb's idea?

A. That is what Feeley told me, yes.

Q. And that Shrubb ---

THE COMMISSIONER: Feeley was perfectly sober at that time?

A. Yes, he was. If Feeley was drinking, you would know it.

MR. MOGG: Areyou suggesting that Shrubb, this man that wrote all the reports about you, had been after you for years, was going to assist you in some way in getting a gas station?

A. He wasn't after me. His vendetta was with Feeley. He never bothered me. I walked away from him. I wouldn't talk to him. Any time he come to the club and wanted to talk to me I walked away from him, so he sought Pete out.

Q. And he knew perfectly well that you were Feeley's partner, and what would help you would help Feeley, and vice versa?

A. I don't know what he knew. I had no faith in it.

THE COMMISSIONER: But changing the subject for a moment, you were very familiar with the gambling fraternity in and around Toronto?

A. Pretty well, sir.

Q. Yes. Was there another McDermott, to your knowledge, in the gambling business?

A. There was a couple of McDermotts in the gambling business.

E/3 Q. Was there another Joe McDermott, do you know, in the gambling business?

A. I don't know any named Joe, I think it is Jim.

Q. I see. All right, was he in the gambling business?

A. He come to ---

Q. Speak up.

A. He come to Cooksville a few times, yes.

Q. Well, was he operating a gambling establishment?

A. I didn't know him that well, but I know he was a bookmaker and gambler.

Q. He was a bookmaker?

A. He may have had games. There is

thousands of games.

Q. I know.

A. There is.

Q. You are so anxious to make a speech every time anyone asks a question. My simple question is this, and I will put it again, was there any -- to your knowledge, was there any one by the name of Joe McDermott over the years who were operating a gambling business in the City of Toronto in the last ten years?

A. There was a Jim McDermott.

Q. There was a Jim McDermott?

A. Yes.

Q. Was he operating a gambling establishment?

A. You didn't say "establishment", you said "a gambling business".

Q. All right, I will change it. I will say gambling establishment?

A. Establishment. I don't know if he had an establishment.

Q. All right. Was there any one named Joe McDermott in the last ten years operating a gambling establishment in Toronto besides yourself?

A. Just Jim.

Q. He is not Joe?

A. No, that is right.

Q. There was no other Joe?

A. No, not that I know of.

Q. Not that you know of. If there was, you would know of it?

A. If I come in contact with him.

MR. HOGG: Q. You told Mr. Wilson and the Commissioner about your opinion of Sergeant Anderson?

A. Yes.

Q. You wouldn't think he would say anything that would be incorrect, that he didn't have any of these illusions, that the ---

A. Not intentionally.

Q. --- that the other officers had?

A. Not intentionally.

Q. I read you one short paragraph from the report of his of April 21st, 1961. It is the second pragraph from the bottom, on the last page:

"Syndicated gambling is when an
"organization branches out from its
"own immediate area of operation and
"takes over controlling interests in
"other areas. To operate in this
"manner successfully it must 'buy
"its way' into police forces and
"other influential places for the
"protection that is so necessary."

Would you agree with that statement of Sergeant Anderson's, being experienced in the gambling area?

A. I will agree that when John Anderson wrote that he believed it, or he would not have wrote it. He is the most honourable officer I know, outside of Cronin.

Q. And it is your evidence under oath that in your gambling operations you needed -- never needed any information about prior raids or about the policy of the Anti-Gambling Branch, and that such information would be of no advantage to you in carrying out your activities?

THE COMMISSIONER: That is what he has sworn to.

MR. HOGG: If that is the case, Mr. McDermott, why then have the doors and the dogs and the buzzers and the look-outs?

A. Isn't it perfectly obvious that is why we had them?

THE COMMISSIONER: Have them for what purpose?

A. The doors were heavy. There was no buzzer there that we ever put there.

Q. No, no. You had these things for what purpose, outside of the buzzers?

A. So that if there was a crap game there that we could take the crap game off, because they might take you to Court on a crap game, but they would never convict you, but the embarrassment of having to go through a tribunal to have the Magistrate

say, "Well, under this section I cannot convict you no matter how broad it is", but once they shift the onus on to us ---

Q. Well, you had all those things these so that you could change what was going on if the police were coming?

A. Not change, just to throw the dice down the sewer.

Q. Throw the dice down the sewer, all right.

A. And that was for that. The heavy door was kept for that.

Q. That was changing the operation?

A. The dogs were not needed for that.

Q. No, but that was changing the operation?

A. Throwing the dice down, sir?

Q. Yes, getting rid of them?

A. Yes.

Q. Yes, all right.

MR. MOGG: Q. Well, then, this was of advantage to you, the doors and so on, so you could take some action in the event the police came. That was an advantage, having the doors there?

A. Do you want me to tell you the disadvantages.

Q. No, I am saying that was an advantage.

THE COMMISSIONER: You pay attention to the questions.

MR. HOGG: There was an advantage having the doors there?

A. Oh, the door was a good advantage, yes.

Q. Because it kept the police out until you could, as you have told the Commissioner, dispose of some evidence?

A. No, just ---

THE COMMISSIONER: Well, Mr. Hogg, why waste time?

MR. HOGG: Well, the evidence ---

THE COMMISSIONER: Why waste time asking this man to answer what is obvious?

MR. HOGG: Well, I would think, my lord, that it is also obvious that there would be some advantage to having prior knowledge of the police coming.

THE COMMISSIONER: You can ask him that, but why waste time asking? You have that big barred door with bolts and bars and so forth. It is perfectly plain what the purpose of that was. I wouldn't care what this witness said by way of an answer. It is obvious.

MR. HOGG: I would like to ask the witness, Mr. Commissioner, during the noon recess, I believe Mr. Wilson has a list of the witnesses that have been called at this Commission, and the witness yesterday told you

that he had contacted or spoken to a number of them prior to their testimony, and to-day he did recall two additional ones. Now, perhaps if he was supplied with a list he could look at that and check off any other additional ones that he had seen.

THE COMMISSIONER: All right. You don't recall them? You mean you think that he may have talked to some that he has not already named?

MR. HOGG: Well, I would think that at some subsequent date that the witness could have said, Well, I didn't recall, he was sorry the name escaped him at the time. I will put it to you now, then, are there any other witnesses that have been called at this Commission that you have seen, after the speech, and prior to them giving evidence here?

A. There may very well be.

THE COMMISSIONER: You can't recall who they are?

A. And if I did see them I would tell them, certainly.

Q. You would have what?

A. If I did see them, I would have told it. I am not going to lie about anything. What am I going to ---

MR. HOGG: Would it assist you to have a list of these witnesses before you?

A. No, it wouldn't assist me. It might assist you, if you want me to.

Q. How about Helen Costello?

A. Never seen the woman in my life. Wouldn't know her if I saw her.

MR. HOGG: I notice it is two minutes to 1.00, Mr. Commissioner.

THE COMMISSIONER: All right. Well, my watch must be slow, then. Are you nearly through?

MR. HOGG: Yes. I would like to look over some material during the recess, if I may.

THE COMMISSIONER: All right. 2.15.

---Whereupon the hearing adjourned at 12.55 p.m. until 2.15 p.m.

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---On resuming at 2.20 p.m.

---The witness resumed the stand.

THE COMMISSIONER: I am not so sure I have got the correct spelling of your name.

A. M-c-D-e-r-m-o-t-t.

Q. - m-o-t-t ?

A. Joseph Patrick.

Q. Did you say it was Jim McDermott?

A. I believe it would be his name.

Q. Do you know how he spells his name?

A. I think he spells it the same way.

Q. All right, thank you.

MR. WILSON: May I have this witness stand down and I would like to call another witness, Mr. Commissioner. I think you had better take him outside.

I call Mr. Robert Simpson.

ROBERT McLEAN SIMPSON, sworn,

EXAMINED BY MR. WILSON:

Q. You reside in Arnprior?

A. Yes, sir.

Q. And you have been Mayor of Arnprior for twelve years, is it now, or longer?

A. Fourteen.

Q. You are a member of the fraternal organization of which Deputy Commissioner James Bartlett is also a member?

A. That is correct.

Q. And did he in recent years ask you to meet a friend of his at the Royal York?

A. He told me that he would like me to meet a friend of his. He didn't specify the Royal York at the time.

Q. Where were you talking to him when he suggested that there was a friend he wanted you to meet?

A. At the Ontario Provincial Police Headquarters.

Q. On Lakeshore Road?

A. I think so.

Q. And then subsequent to that date did he introduce toyou a friend at the Royal York?

A. Yes, he did.

Q. Now, in order to fix the approximate time, was this after he had been appointed

Assistant Commissioner?

A. He was.

MR. WILSON: Mr. Commissioner, he was appointed Assistant Commissioner on August 1st, 1958.

Q. In order further to fix the time, was this before James Maloney became a member of the Ontario Cabinet?

A. I am not quite sure. I think, I would say that it was shortly afterwards, or thereabouts.

Q. I used the term "Assistant Commissioner". It was in fact Deputy Commissioner.

A. Yes, I understand. This is what ---

Q. The occasion when he introduced you to the friend at the Royal York, was that when a meeting of this fraternal organization was going on in Toronto?

A. Well, not in the same location.

Q. No.

THE COMMISSIONER: In Toronto?

A. Yes.

MR. WILSON: Q. And just tell us about the meeting.

A. Well, in the lobby of the Royal York Hotel, Mr. Bartlett brought along a gentleman that he identified as Mr. McDermott.

THE COMMISSIONER: Just go a little slowly, please.

A. M-c-D-e-r-m-o-t-t.

MR. WILSON: Q. Now, you have spelled it out. Why do you spell it out?

A. Because the very first question -- I didn't know the reason for the introduction, I didn't know the reason for the meeting, and being a little bit of a politician, I knew people of the same name in my own area and I was interested in knowing whether this man had any connection. I was trying to find out what the reason was, and so I said, "Are you from Barry's Bay?" And he said, "No", and I said, "Well, now, how do you spell your name?" So he spelled the name out, and I said, "Well, that is the same spelling as the family in Barry's Bay, and are you any relation?", and the answer was, "No".

Q. And after the introduction did Bartlett stay or ---

A. No.

THE COMMISSIONER: How did he introduce this man to you?

A. He said ---

Q. Tell us what was said.

A. He said, "This is the man I was talking to you about."

Q. Yes?

A. McDermott. So then Mr. Bartlett left, so then this conversation regarding

McDermott's identity then took place.

MR. WILSON: Q. Just go on, and what further conversation did you have with this man?

A. Mr. McDermott then asked me if I was able to do anything with Mr. Frost regarding gambling in Ontario. The answer was -- I was rather put out about it -- the answer was that Mr. Frost would have no part of any gambling in the Province of Ontario and there wasn't any use of even asking it, there wasn't any use of considering the matter at all.

Q. You, of course, had known Premier Frost, as he was then, for some time?

A. For quite a while and quite well.

Q. And was that the extent of the conversation you had with this gentleman?

A. Frankly, I was annoyed and I walked away.

THE COMMISSIONER: Could you identify the man, do you think?

A. Well, I don't know. I haven't any clear recollection, your honour, of the gentleman, other than I checked him very carefully on the spelling of his name. I frankly confess I don't know whether I could identify him by sight or not.

THE COMMISSIONER: Supposing you have McDermott come back into the room here.

MR. ROSE: I might suggest, Mr. Commissioner, that the man is going to be put in the position where he is going to be allegedly identified by a witness, and certainly by bringing a person you say is McDermott into the room and presenting to this witness, certainly it does not seem to be the fairest way of making the identification.

THE COMMISSIONER: He doesn't know whether he could identify him or not.

MR. ROSE: Then the usual way and the fair way is by having the person surrounded by other persons. It has been held so often that having a person come in and saying, "Is this the man?" ---

THE COMMISSIONER: I think there is merit to what you say. Mr. Simpson, supposing you just retire. You can go through this door.

---The witness (Simpson) retired.

THE COMMISSIONER: Now, have Mr. McDermott brought in and seat him some place where the witness would see a group of men, over in that section.

MR. ROSE: I wonder if I may suggest, Mr. Commissioner, maybe Mr. McDermott could sit in the third row behind those two ladies.

MR. McDERMOTT: The gentleman seems to

be going out, Mr. Rose. He was coming in as I was going out.

MR. ROSE: I gather what McDermott was saying, as he was asked to leave the Commission the witness was coming in as he was going out.

MR. HOGG: That would sort of indicate that he knew this man.

MR. ROSE: I wouldn't think so. He says the witness was coming in.

THE COMMISSIONER: All right. Now have Mr. Simpson come back.

---The witness (Simpson) returned.

THE COMMISSIONER: Now, Mr. Simpson, you said you can't be sure whether you will be able to identify him, ifyou saw him?

A. That is correct.

Q. Do you see anybody in the room -- take your time?

A. I can't see anybody from here, your honour.

Q. Is your eyesight good or bad?

A. It is indifferent.

Q. I see you wear glasses.

A. Yes, I have to have help.

Q. Are you shortsighted or long-sighted, or what?

A. Shortsighted.

Q. Can you see a constable standing down there, the far one?

A. Yes, I can see him.

Q. From where you are standing could you identify his features and so forth?

A. Yes, if I looked at him closely enough I could.

Q. Speak a little louder.

A. Yes, if I looked at him long enough I could.

Q. All right. Look at everybody in this room and see if you can identify the man Mr. Bartlett introduced.

MR. WILSON: Can he walk around, Mr. Commissioner?

THE COMMISSIONER: Oh, yes, sure. If your eyesight is bad walk around through the room. If you want to walk down that way, that is all right. Walk anywhere you like in the room.

---The witness returned to the box.

THE WITNESS: I don't think so, your honour. I cannot identify him from the people that are here. I do confirm what I have said before, and that was that the talk was of very brief duration, and after having heard his request I turned away and walked away.

THE COMMISSIONER: How long would the conversation with him last?

A. It wouldn't have lasted any more

than a minute or a minute and a half at the very most. So I haven't anything other than the checking of the spelling, that is all.

Q. What time of the year was it?

A. In the fall, the fall of the year.

Q. Did you have your overcoat on?

A. No, no, I had been up in my room and I came down. I rather imagine at that time I was probably going in to eat.

Q. Did he have his overcoat on?

A. No, he did not.

THE COMMISSIONER: Anything else, Mr. Wilson?

MR. WILSON: No, that is all, thank you, Mr. Simpson.

THE COMMISSIONER: Questions from other counsel?

MR. HOGG: No, I have no questions.

THE COMMISSIONER: That is all then.

---The witness withdrew.

THE COMMISSIONER: Then have Mr. McDermott return.

JOSEPH P. McDERMOTT, recalled,

EXAMINATION BY MR. MOSS (RESUMED):

Q. I have one initial question, Mr. McDermott. How did you know that this was the witness who would be called on the stand when you saw him come in downstairs?

A. I didn't see him come in downstairs. They called a Simpson while I was in the courtroom. I walked to the door and I thought it was a Mrs., and I waited at the door and the constable was bringing him along the hallway and I looked at him and the constable said, "Do you know him?", and I said, "I have never seen him in my life." I started to speculate who it was and I made lots of speculation. I had never.

Q. You had never seen him before?

A. Not to my knowledge, I have never seen this man. I still don't know him.

Q. I have one or two questions of you on the matter of the aircraft which I did not put to you before. Apparently there were two aircraft, Cessna 185, KQQ, and that was replaced by KUU, and were you not at the controls of KQQ when it crashed in Toronto Harbour?

A. It was either KQQ or KUU that

I crashed in the Harbour.

Q. In any event it was the first of these two aircraft?

A. That is what I am scared of.

Q. Where had you been coming from?

A. I had been coming from the Niagara River where I had landed, the only place on floats, and it was only floats I could land, and I had pulled into the Harbour and I tied up the plane and I took a breather and a smoke, and I think I got back in the plane and took off, and I was darned glad to get back and I ran into the Air Show as I came in. It was Exhibition time and as I came into the Harbour the Air Show was going on and I was right in the middle of it.

Q. Were you at the race track that day?

A. At the race track? I don't think so. I couldplace the time when I left. They would know. There was a complete report made on the whole thing, when I left and came back. I may have been. I couldn't swear I was or wasn't.

Q. Did you tell the police that you had been at Fort Erie?

A. If I did then that is where I was, because it is not fresh in my mind now what happened that day.

Q. When you would be referring to

Fort Erie, would you be referring to the race track?

A. I don't know if I would or not.

Q. What other business would you have in Fort Erie other than going to the race track?

A. I never said that I had any business in Fort Erie.

Q. Where else could you be except at the race track?

A. I can think of a lot of places that I could go. I might go for lunch at the restaurants I have eaten there.

THE COMMISSIONER: Well, you say you landed in the Niagara River. Were you at Fort Erie race track that day?

A. I honestly can't say if I was or not. You could tell the times of the race track was running. If it was I probably was; if the track was not running I wouldn't be there.

MR. HOGG: Q. This aircraft, along with the other one, was apparently registered to George Reid on June 26, 1958, and the registration on May 25th, 1959, was transferred to Joe Shaw?

A. To whom?

Q. Joe Shaw.

A. Never heard of him.

THE COMMISSIONER: What date?

MR. HOGG: That would be on May 25th, 1959.

Q. I put it to you, Mr. McDermott, that you were the owner.

THE COMMISSIONER: What is his name?

MR. HOGG: Joe Shaw.

MR. ROSS: Is that KHM or ---

MR. HOGG: KQQ.

Q. That you were the owner of the aircraft and you told the police that you were the co-owner of it, that is, the Toronto Harbour Police?

A. That would be mistaken if I did. That is two questions. Which one did you want me to answer first?

Q. Did you tell the police that you were the co-owner of that aircraft?

A. When they pulled me out of the water I was in bad shape.

THE COMMISSIONER: No, no.

A. I don't know what I said to the police, no.

MR. HOGG: Were you the owner of that aircraft?

A. Never.

Q. Who was?

A. I believe George Reid was if that is the plane I am thinking of. If it is the one I crashed up, it was George Reid.

Q. And you had put no money into the aircraft?

A. Not five cents.

Q. You also gave some evidence about your telephone conversations with Wright. If I understand your evidence correctly, it was that you were merely jollying him along and he was supplying you with a considerable amount of gibberish?

A. That was my instructions when I started out on the campaign.

Q. And that you were eager to cease this association over the telephone, and when this matter of the Commissioner came up you told us this morning that you thought this would be an oppor tunity to end the matter?

A. No, that came up with Scott.

Q. With Scott?

A. Yes.

Q. Well, you are referring to Wright and Scott both having bothered you, are you not?

A. They are both doing an investigation and there was a lot of -- to involve me.

Q. That they were bothering you, you told us, and that you sometimes refused to take Wright's call. Now, if that is the case why did you telephone Wright?

A. Because he promised me half way through the conversation, or after the fourth

month or the third month he promised me and convinced me that he could get me a road into Big Duck Lake property which I was trying to get.

Q. Were all these calls you made to him concerning a road to Big Duck Lake?

A. Nearly them were. I would think pretty well all would be.

Q. That is your explanation for telephoning him?

A. That is the gospel truth.

Q. I believe Wright has testified that he never established any code with you. Would you agree with that?

A. What are you referring to when you say a "code"?

Q. Of the different clubs that were operating. Did you give them different code names?

A. I think he gave me some, or Scott would think it was something very important, started to tell me about it, and I didn't pay any attention to it. It didn't ring any bell with me. I know that he said, "Hello Murphy", and I said say "Hello Smithers", "Hello Kelsy" -- all kinds of crazy stuff.

Q. Who was "Smithers"?

A. Nobody that I know, no more than any one else there. There was no code. Scott

gave in his testimony that that was none of his code.

Q. I just want to refer to one short paragraph in this report, statement of Sergeant Anderson at page 13:

"Scott asked for Smithers when a person answered the telephone. . . "

And this is the Sergeant Anderson you have described.

" . . . informed the party . . . "

That is McDermott.

" . . . that there would be nothing doing to-night. McDermott asked 'Where did you think it would be?' and Scott replied 'Down south'. McDermott exclaimed 'Gee, are they still bothering that place?'"

THE COMMISSIONER: Now, what do you want to ask him?

MR. HOGG: Q. Were you aware of a code?

A. No, but we did use the name of "Smithers" and "Kelsy" and "Murphy" on many occasions, and if he used any of those names I would say, "Here is these kids again".

Q. What about "down south"?

A. "Down south"? It would be the furthest point south, I guess. That would be -- he would use the expression before, north, south. We had hours talks the same as I made speeches here. I made the same

speeches to both those lads, that it was our fundamental rights and the bona fides of the clubs and that they were doing it wrong, they had no licence to do it. We had gone through this thing. Here is a fellow calling me, making tapes, giving people to hear in ---

THE COMMISSIONER: You are making another speech.

A. Trying to give you the true picture, what you asked me about.

Q. You were asked about a code and you were asked about what "down south" meant?

A. There was no specific code laid down, but they are talking in that period of time of that place "down south" or "up north", and it would come to the approach I must have asked him, "What do you mean, down south?", and he would explain the place to me, but there was no laid down ---

Q. What did he explain?

A. Because he explained the Port Erie club, that is what he is referring to.

MR. HOGG: Q. "McDermott replied,

"'Are they still bothering that "place?'"

And that is referring to down south. What did you mean by that?

A. At that time I would say that we had discussed it previous and that would

mean Port Erie Club, "Are they still bothering that place?", because he would tell me about this, how they were going to close it.

Q. There is evidence about the Cat Cay Club in the Bahamas. Did you negotiate down there to obtain an interest?

A. I did not do any of the negotiating. Mr. Feeley did.

Q. Would you be aware of what he had done?

A. Would I be aware? Not everything he done, the principal things that he done.

Q. To your knowledge did he deal with Lou Chesler at all?

A. No.

Q. Do you know a man by that name?

A. I have never met the man. I have heard the name. I believe he is a stockbroker.

Q. In the last five years, Mr. McDermott, have you had any bank accounts or safety deposit boxes or caches of stocks or securities or money or valuables, outside of this province?

A. Which question do you want me to answer?

THE COMMISSIONER: That is only one.

A. You had better repeat it again. It is a long broad question.

Q. It is only one question.

A. But there is a whole bunch of things in it.

Q. All right, pay attention.

A. If you would just say it slowly.

MR. HOGG: For the last five years ---

A. For the last five years, yes?

Q. Have you had any bank accounts, safety deposit boxes or caches of money, securities, outside of this province? Take the bank accounts first. Have you had any bank accounts outside of this province in your name or in any one else's name?

AA/3

A. I would have to think "no" to that, and the reason that I give it to the next one, no, that would be "no", not that I can recall.

Q. And that applies to the present? You would know if you had a bank account some place and had some money in it, surely?

A. What do you call bank account? I may go to a hotel to be registered and leave money on deposit.

THE COMMISSIONER: He is talking about bank accounts.

A. At a bank.

Q. Not a hotel.

A. Not that I recall.

MR. HOGG: Q. Or money on deposit any place?

A. In Ontario?

Q. Out of Ontario?

A. Out of Ontario, not that I can recall.

Q. And you would know if you had any money outside of this province. Presumably you would want to get it some day?

A. Oh, I would think I would. Not that I recall.

Q. What about safety deposit boxes?

A. I have had safety deposit boxes in hotels. In hotels outside of Ontario if I had to go somewhere I would put my money in a safety deposit box.

Q. Have you any now?

A. No, none, not that I recall, unless there is still in existence that it is carried on or something. Not that I recall.

Q. Or have you any money or valuable securities or valuables on deposit or left with any one out of this province?

A. Not that I recall, no, nothing.

Q. At the present time?

A. At the present time.

Q. And if you had that would certainly be something you would know about?

A. I would think I would, yes.

Q. I would just like to get you on the record in connection with these four clubs. Have you heard of the Lakeshore Bridge and Social Club?

A. Could you tell me where it was, where its location was? If you could do that, because there were so many places, there are thousands of clubs and a very similar name.

Q. M. Ward, 1277 Lakeshore Road, was the applicant in October 24th, 1958.

A. I am trying to place the address. Would you give me the Letters Patent again, the name of it?

Q. M. Ward, 1277 Lakeshore Road, and the application for incorporation from a William Campbell.

A. I had nothing to do with that. I know the M. Ward. It is Mel Ward, but I had nothing to do with that.

Q. Lakeshore Amateur Authors Association?

A. Authors? I have never heard of it.

Q. Long Branch Community Club?

A. Yes, Long Branch Community Club, I have heard of it. Could you give me the address again of that one?

Q. In association with it ---

A. Could you give me the address of it?

Q. The Humber Bay Community Association?

THE COMMISSIONER: Could you give him the address?

MR. MOSS: I don't believe I have it, my lord.

THE WITNESS: Number Bay? I don't believe I have ever heard that.

A. Thank you.

MR. ROSE: I have no questions, thank you.

THE COMMISSIONER: Mr. Wilson?

MR. WILSON: No further questions at this time.

THE COMMISSIONER: That is all for now, thank you.

A. Thank you, Mr. Roach.

---The witness withdrew.

MR. WILSON: I will call Victor Pinnigan.

VICTOR FINNIGAN, called.

THE COMMISSIONER: Are you through with Mr. McDermott?

MR. WILSON: No, not necessarily.

THE COMMISSIONER: No, for to-day?

MR. WILSON: For to-day, yes, he can go now.

THE COMMISSIONER: I saw he sat in the body of the courtroom.

MR. WILSON: There is no need for that.

MR. ROSE: There is no question about identification in this particular case, is there?

MR WILSON: No.

THE COMMISSIONER: I don't think so.

---The witness McDermott removed.

---The witness Victor Finnigan sworn.

EXAMINED BY MR. WILSON:

Q. Where do you reside?

A. 1690 Albert Road, Windsor, Ontario.

Q. How old are you?

A. Twenty-six.

Q. And you are a son of the late Leo Finnigan?

A. That is correct.

Q. And you are acquainted with Curly Gardner?

A. I know him, yes.

Q. Now, you are aware that your father and Curly Gardner were engaged in gambling operations in the City of Windsor?

A. I was.

Q. And you were employed in that operation at what time?

A. By "time" you mean reference to ---

Q. About what year did you start to do any work around the club?

A. From the beginning to end.

Q. Then what was the beginning, what year would that be?

A. 1954, I believe.

Q. 1954, and that was at Walker Road, was it?

A. Yes, it was.

Q. And at that time the club was known as the Army, Air Force and Navy Unit 327?

A. I believe that is right.

Q. What was your particular job?

A. Janitor, caretaker, general overall do-everything.

Q. Who paid your wages?

A. My father.

Q. Now, you had some raids on the club after it started in business?

A. Yes.

Q. And after one of the earlier raids did any person or persons offer any suggestions

about future operations, any outsiders?

A. Like whom do you mean?

Q. Well, like anybody from Toronto?

A. Not to my personal knowledge, but we will say that help from Toronto was there, but I mean, I couldn't say who.

Q. You couldn't say who?

A. No.

Q. Is this a matter you discussed with your father?

A. No, it is a matter he would never discuss with me.

Q. Where did you get any information about any people from Toronto?

A. Well, the fact that the information was relative to the Anti-Gambling Squad which originates out of Toronto. That was, we just conjectured it would come from Toronto.

Q. Did anybody to your knowledge after these first raids, offer to give advance warning of any future raids?

A. Not to my personally or to my knowledge. I couldn't testify there had been, no.

THE COMMISSIONER: What do you know about it? You said something about information coming from Toronto. What do you know about it? Put it in your own way.

A. Well, if a phone call came in that people from Toronto or the -- by "people"

I mean the Anti-Gambling Squad from Toronto -- was in the Windsor area, well, that is phone call information, but it was not coming to me, but this is just hearsay that you hear from being there, that is all.

THE COMMISSIONER: I am not sure I quite understand this witness. Get to another subject and we will get back.

MR. WILSON: Q. Do you recall the incident where an undercover policeman tried to get into the club and his picture was taken?

A. Yes.

Q. Tell us about that.

A. A man came to the door and he was allowed in and had to fill out forms for application for membership to the club, and after filling out these forms, signing of the forms, he stood up and his picture was taken.

THE COMMISSIONER: By whom? You didn't take it?

A. No, not to my knowledge, no.

Q. Who did? Who had the camera there?

A. It is hard to remember.

Q. Well, was it your father?

A. No.

Q. Was it Gardner?

A. No.

Q. Who was it? Was it an employee of the club or was it a total stranger?

A. It was an employee of the club but I just couldn't remember the man's name.

MR. WILSON: Q. I think Gardner said you took it. You don't think so?

A. I know so.

Q. Well, who had the advance information of these men coming to the club that night?

A. Well, the time I was there, you see, the same night the pump broke down. I remember the night because I was there fixing the pump. After fixing the pump, by the time I got there it was just knowledge of anybody in the, out in the hall that night, that this policeman was coming in.

Q. And where did they get the information about his coming that night?

A. I wouldn't have no idea.

Q. Do you recallmaking some statements a few days ago?

A. That is correct.

Q. And did you say something about where the information came from on that occasion?

A. Over the telephone, that is all I know, or bring it to the club with them.

Q. But from where -- what did you say a few days ago, that the information came from Toronto?

A. Yes, came from Toronto.

Q. Why don't you say that to-day?

A. Well, it would come from Toronto. A phone call would come in from Toronto and that is all.

THE COMMISSIONER: Now, who told you that?

A. Who told me that the phone call came from Toronto?

Q. Yes.

A. My father.

MR. WILSON: Q. Now, there were outside interests in this club apart from your father and Curly Gardner?

THE COMMISSIONER: You are now speaking of the occasion on which this picture was taken when the man was trying to get in. When was it that your father told you about the information coming by way of a phone call from Toronto?

A. It was after, at any rate.

Q. It was after the picture was taken?

A. Yes.

Q. Shortly after, or that day, or several days later, or a month?

A. Possibly that evening, but I couldn't remember that close.

Q. I see.

A. Possibly that evening or the following morning.

Q. What did your father tell you?

A. My father told me that a police

officer was trying to get in the club, that is all.

Q. Yes, but about the information coming from Toronto?

A. Well, that they had received advance warning. That is how they knew he was coming.

AA/4

Q. I see, all right.

MR. WILSON: Q. There were other people interested in the operation than Curly Gardner and your father, weren't there?

A. To my knowledge, yes.

Q. Who were they?

A. Not at the beginning.

Q. Not at the beginning, but later on, what outside interests were there in the club?

A. Well, there was American interests for the simple reason -- for two reasons, actually. One for capital, and the second for getting people to come over.

Q. Now, what part did any Toronto interests play in the operation of the club?

A. None to my knowledge.

Q. Well, you made a statement a few days ago, didn't you, that the Toronto interest did not take over the club; they would pay the Toronto interest for the advance information?

A. Yes, this is what I was led to

believe. It was a ---

THE COMMISSIONER:

Q. By whom?

A. By my father. It was a strict pay arrangement.

MR. WILSON: Q. In other words they did not have an interest in the profits?

A. That is correct.

Q. They got ---

A. A straight salary.

Q. A straight salary?

A. That is right.

THE COMMISSIONER: How much?

A. I wouldn't know.

MR. WILSON: Q. What did they get -- what did they do, rather, in return for that?

A. They advanced the information.

Q. Of what?

A. Of any times the Anti-Gambling Squad was in the Windsor area.

Q. How did that arrangement work out? Did they give information when raids were about to take place?

A. They must have. The club was open for four years.

Q. You were there?

A. I was there, fine.

Q. Then you knew these calls were coming during that time?

A. I knew nothing of the calls. Supposing ---

Q. Who told you?

A. My father. Supposing now this was a Thursday night and there was to be a raid on Thursday night. I wouldn't hear about there was a raid until after it was all gone over because the information would not come to me.

Q. What I want to know, did your father tell you the arrangement was working out, that you did get the advance information?

A. Not on every occasion, no.

Q. Not on every occasion?

A. No.

Q. Well, on most occasions?

A. Some.

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EB/1/DG/8

THE COMMISSIONER: Q. Now then, how was the straight salary paid?

A. I wouldn't know.

Q. By the day, by the week, by the month?

A. I wouldn't know what arrangements were made. I wouldn't know.

Q. Your father didn't go into detail?

A. No.

Q. Was that irrespective of whether the operations of the club were profitable or running at a loss? Were they still getting a salary?

A. My understanding is that it was a straight salary the same as a man working in a factory. It matters nonetheless whether the club made any money or not.

MR. WILSON: Q. Did your father tell you the names of any of those persons who were calling in and giving any of this information?

A. No.

Q. You never asked him?

A. No.

Q. At the time of the arrest of Gardner and your father, that would be November, 1957, what kind of financial shape was he in at that time?

A. My father. He was financially embarrassed, practically. In other words, broke.

Q. He was broke at that time?

A. That is correct, he was broke. I won't say broke, but enough to hold his head above water but not enough to say he was a rich man, either. Enough to supply the subsidies of life, but not enough for the pleasures of life.

Q. How long had that been true prior to November of 1957?

A. Since he sold National Auto Radiator. Shortly after he sold National Auto Radiator.

Q. When did he sell that? What year?

A. 1954, or '55, I believe.

THE COMMISSIONER: Q. National what?

A. Auto Radiator and Manufacturing Company Limited.

MR. WILSON: Q. Now, witness, we have heard, Joseph McDermott has told us, that your father turned over to him some $7,000, the evidence is, at page 10605.

THE COMMISSIONER: Q. Well, before you get to that, your father at one time was pretty well fixed financially?

A. Yes, sir, at one time he was.

Q. Did he have a yen for gambling?

A. I will say. Actually, he was a chronic gambler. There was no different way. The man couldn't leave it alone.

Q. He couldn't leave it alone. And

then he sold his interest in National Radiator in November?

A. Actually, you see, he was forced to sell due to financial difficulty on his part. He needed the money.

Q. And then he was paid for his interest in thecompany?

A. That is correct.

Q. That was in 1957, was it?

A. 1954 or '55, I believe.

Q. 1954 or 1955?

A. I am not quite sure of the date. Around about that time.

Q. Now, to your knowledge, the amount of money he received on the sale of these shares in that company, was it substantial?

A. It certainly was, yes.

Q. Have you any idea of about how much?

A. I believe around $180,000, somewhere around that area.

Q. Yes.

A. But again I am not quite sure. But in that area, anyway.

Q. In that area. Now then, how did he handle that money, once he got his hands on it?

A. Well, he first paid his debts and then just continued gambling and it wasn't too long before he was back in debt again.

Q. He lost it all?

A. Yes,I am afraid so.

Q. That wasn't in Ontario, was it?

A. Wherever he could gamble. He was the type of person who would gamble on anything at all. Horse races, you name it and he would gamble on it. And you couldn't stop him, either.

Q. He didn't limit his gambling to Ontario?

A. No, he would go to Las Vegas, if he needed to. As a matter of fact, on occasion I know he has gone to Las Vegas.

Q. At what time was he broke again? He got this money in 1954 and 1955. How long was it before he lost it all?

A. I would say no more than six months to a year. Tops. Six months to a year. I won't say he was broke, but I would say he had enough money to provide bread on the table but not enough money to provide luxuries.

Q. Now, his resources were limited, his financial resources were limited to an amount sufficient to provide bread, as you put it, bread for the table and so forth?

A. Yes.

Q. Where did the money come from to carry on with the operation of the Club?

A. That was the reason for the Detroit

backing. Both financial arrangements and the steering of American patrons, if you like to call it that.

Q. Quite so. Do you know who made those arrangements to have the money brought over from Detroit with which to operate the club?

A. I believe the man responsible for the money coming back and forth across the border was Nick Glassman.

Q. Nick Glassman?

A. Yes, but again, it is just hearsay on my part. I never witnessed it at any time being handed over.

Q. Quite so. Now, do you know,of your own knowledge, whether Gardner or your father was putting up any part of the necessary money to run the club, or was it all coming from Detroit?

A. At one time my father was financially backing it, and when he got into trouble financially, he got outside help.

Q. From who?

A. From Detroit.

Q. Is that what you say? That the money was coming over from Detroit?

A. That is correct.

Q. To operate the club?

A. Yes, sir. But this was later on. This was 1956, '57. 1956, and I wouldn't say --

1954, '55. My father was in a financial position that he could back theclub himself, financially, and when he lost his money and got into debt, he couldn't do so. He not only operated, but he gambled himself.

Q. You?

A. And he needed the money to operate the club.

Q. Gardner didn't have any money?

A. No. I mean, no more than ——

Q. Enough to eat?

A. That is correct.

Q. Now, is that the situation, the financial position of your father at the time?

A. Yes.

Q. Of the final raid on theclub?

A. Yes. At the time of his trial and conviction, his financial position was practically nothing. He was able to provide bread and butter and things like that, but other than that, he had,we will say, no money to squander. The money he did have to squander, he gambled it, so there was no telling the amount of money he squandered. He couldn't keep track of it.

Q. He went to jail as a result of it?

A. Yes, sir.

Q. When he was went to jail, Gardner went to jail too?

A. That is correct.

Q. First of all, your mother was living?

A. That is correct, yes.

Q. Were you living at home with your mother?

A. At the time my Dad was in jail, I was.

Q. You were living at home with your mother at the time your father was in jail?

A. Yes.

Q. Any other members of the family living at home?

A. No. Just my mother and myself.

Q. How did you get along, financially?

A. I got different jobs. It was pretty hard for me to get work because of the publicity in the papers. I did finally get a job. I had a friend who had a little garage and I was fixing toys and fixing bikes. I had no financial help from anybody else. I made enough money, myself, to supply room and board.

Q. Did your father, while he was in jail, know the estranged circumstances your mother was in and yourself, at home?

A. Yes. We went up to visit him every so often. We were allowed to go twice a month or something like that and we went I think at least twice a month.

Q. He knew the position you and your mother were in and the circumstances at home?

A. Yes, he knew we were just existing.

Q. He knew you were fixing bicycles and toys and what-not to make ends meet at home?

A. Yes. But I was doing quite well at times, too.

Q. When did you first meet McDermott?

A. I met Mr. McDermott on one occasion only, and around about the time the Fire Marshal was insisting on fire doors at the club. This was before the conviction. Before the final raiding and conviction, and I just met the man to say "hello". He was introduced to me and that's all.

Q. What was he doing there?

A. I couldn't say.

Q. What did he appear to be doing at the club?

A. I will say he was there, from what I understand, strictly for the construction of the doors and for supervising.

Q. Supervising?

A. Observing the construction of the doors, because they needed secure doors at the time.

Q. Quite so. That is the time you saw him at the club?

A. Yes.

Q. Did you see him at all after your father went to jail?

A. No, I never.

Q. No?

A. No, not until today in the court-room.

Q. Well, Gardner was released from jail?

A. Yes, he was.

Q. And your father was not?

A. That is correct.

Q. Did you ever speak to McDermott?

A. I spoke to him.

Q. About your father getting out of jail?

A. One time I went up to see my Dad, and he was quite keyed up about getting out. It was pretty close to the time he did get out, about two months prior to the time he got out. And he said he heard that he might be getting out and to call on Mr. McDermott and have Mr. McDermott arrange for clothing and transportation back to Windsor, which I did. When I got back to Windsor, I telephoned Mr. McDermott.

Q. You did telphone Mr. McDermott?

A. Yes. I told him my father was quite happy about getting out and asked if he would arrange for clothing and transportation

back to Windsor and he said he would.

Q. He said he would. Did he?

A. Yes, because I never. He must have because I never. Put it that way.

Q. All right, now, did you communicate with him more than once about your father getting out or was it just the once?

A. Just that one time was the only time I ever actually spoke to the man, other than being polite and saying, how are you, and hello. Only when I was introduced to him that one time at the club and I went about what I was doing and they went about what they were doing.

THE COMMISSIONER: Quite so.

MR. WILSON: Q. Well, when your father was in jail, were your family on good terms with your father?

A. My family.

Q. Your mother and yourself?

A. Oh, yes.

Q. And he appreciated the stress you were in financially?

A. Yes.

Q. And did you ask him for any assistance?

A. Well, he couldn't give me any assistance. He didn't have it.

Q. He didn't have it?

A. No.

THE COMMISSIONER: Q. Was he the type of father, if he did have money ---

A. Certainly, if he had money and I needed it,I wouldhave it.

Q. And your mother?

A. Yes, the same thing. Vice versa. If he needed money and I had it, he would havait.

Q. Now, it has been said by McDermott that your father had given him some money to hold for him. Had you ever heard about that before?

A. Not to my knowledge, no. Because at the time my father was in jail, I got not a dime from nobody. I earned everything myself.

MR. WILSON: Q. Did your mother get any assistance from anybody else but you?

A. No, she didn't. My father was a funny kind of a person. You give him a dollar and he was gone. A dollar was nothing. I speak of one dollar, but it could be one hundred dollars or one thousand dollars. He had no sense of value. It was so much to gamble with to him.

Q. At the time ybur father went to jail, did he owe any money to Curly Gardner?

A. Not to my knowledge.

Q. What do you know about the payment of the battery of lawyers who defended

your father and Curly Gardner?

A. I have no idea. I never assumed any of the responsibility.

Q. Did you ever discuss it with your father?

A. No, because he was more involved or more interested in seeing that they could, so called, beat the case. The lawyers were the last thing from my mind or his.

THE COMMISSIONER: Q. What was that, again?

A. At the time of the trial he was more interested ---

Q. In getting off?

A. Yes, getting off, than lawyers.

Q. He needed some lawyers, I suppose?

A. True, he needed lawyers, but as faf as the financial arrangements with lawyers, that never bothered him. He was the kind of person, he just hired a lawyer or have someone hire a lawyer and how they arranged it, I don't even know, or who even paid them, I don't know.

MR. WILSON: Q. What did your father do for a living after he got out of jail?

A. He tried to manufacture an automobile. The Czar Auto of Canada Limited. He formed a company for it, for manufacturing a fibreglass car, and sold shares, of course, and tried to raise enough capital to manufacture

an automobile. He tried to raise money in the Windsor, Detroit area and the Toronto area and tried to raise capital from various people he knew, but they just weren't buying any.

Q. When this Commission was set up in December, 1961, was your father still in Windsor?

A. 1961?

Q. December of 1961.

THE COMMISSIONER: Q. Last December.

A. No.

MR. WILSON: Q. Well, where did he go? Where was he at that time?

A. You see, after he had this Czar auto, which I disapproved of personally, I didn't think too much of the idea, I went and joined the army, and my father continued with the Czar auto. He couldn't raise ehough capital, as a very large amount of money is needed. So he went to Winnipeg to try to raise the capital there, and that is where the Czar auto just died.

Q. Then did he come back to Windsor for a vacation, just about the time this Commission was set up?

A. We come back to Windsor when I got out of the army, which was April ---

Q. Of this year?

A. Of this year.

Q. Yes?

A. And my father and myself, even though I was still in the service, myself, I had a heating business going on the side. In other words, besides being in the army, I was in the heating business and selling heating in Winnipeg.

Q. Yes?

A. Now, how all this came about —

Q. We won't go into all that. Did you, about that time, come back to Windsor?

A. Yes.

Q. With your father?

A. April, March, I believe it was.

Q. March or April of this year?

A. Yes.

Q. And then was when you got back to Windsor, did you hear the O.P.P. were looking for your father to serve him with a subpoena?

A. Yes.

Q. Who brought that information to your attention?

A. I believe my father picked it up downtown. And downtown, he no doubt ran into Curly or Frank Gardner.

Q. Did he have a talk with Curly Gardner, or Frank as you call him?

A. He told me "No" at the time but I knew different. I know he did.

Q. How did you know it?

A. Well, my father if he would -- say we had an argument -- the way I thought about it, I wanted a week's vacation and we came down to Windsor to visit some friends.

Q. Yes?

A. And the second or third day we were here he came back and told me about people were trying to subpoena him. He said he wanted no part of it and he said, "Let's head back for Winnipeg." I asked him how he found out and he said "downtown". I said, "Frank Gardner?" and he said, "No". But downtown was Frank Gardner, as far as I know. He was the only one to contact on a thing of that nature I know of.

Q. Did he contact Frank Gardner when he was in Windsor at that time?

A. He says a no, but I say yes.

Q. Did you speak to Gardner about that,at that time, or later, yourself?

A. No, I never contacted Gardner. As a matter of fact, the only time I seen Gardner since they both went to jail, my father and Gardner, was at my father's wake.

Q. Did he tell you then that he had spoken to your father when he was in Windsor?

A. Yes.

Q. He did?

A. Yes.

Q. And he told him about the O.P.P. looking for him?

A. Yes. He told me he spoke to my father about the Royal Commission.

Q. And did your father immediately want to go back to Winnipeg and get away from being served with a subpoena?

A. The way he looked at it, he had done his time or paid his debt to society for gambling, and he didn't want to get involved. He wanted to start all over again. That was the reason he gave to me, at any rate.

Q. Did your father, after you got back to Winnipeg, hear any further from Curly Gardner, that you know of?

A. Not to my knowledge.

Q. Over the telephone?

THE COMMISSIONER: Q. Then your father left Winnipeg and went to Whitehorse?

A. That was April of this year. April the 30th of this year.

Q. When did he get back to Windsor, finally?

A. Thirty days exactly to the date of his death. The 15th of September he died. Thirty days prior.

Q. Was he in poor health when he arrived back in Windsor?

A. He was the picture of health. As a matter of fact, I would say in good health.

Better than he had been in years.

Q. So his death was sudden?

A. Yes.

Q. How sudden?

A. A complete shock to everybody.

Q. I know, but was he sick for a day or drop dead or what?

A. No. He was playing on the floor, wrestling with the kids on Friday night, about ten o'clock or so.

Q. What kids?

A. The people we were staying with, they had two little children and he was playing with them on the floor, kibitzing and laughing and there was absolutely no sign that night and early the next morning he died.

Q. Of a heart attack?

A. Yes, a heart attack.

MR. WILSON: Q. Who obtained the Border City Press and Bridge Club charter?

A. My father.

Q. Who obtained the Army, Navy and Airforce Veterans Charter?

A. To my knowledge, both Mr. Gardner and my father.

Q. Where did they get that?

A. I have no idea.

Q. And what, exactly, from say 1955 on, what part did your father play in the operation of the club?

A. Well, my father was the kind of person, if he didn't control or manage, he would have no part of it.

Q. What part of it did he control and manage?

A. He was complete boss man of the club, actually, and Frank was ---

Q. What did he do?

A. Well, he controlled the money and the game, itself, and the paying of the employees and things like that.

Q. And were those employees Americans or Canadians?

A. Both.

Q. Both. What about the dealers?

A. American.

Q. American. And of course, the Americans provided the bank, the money?

A. That is correct.

Q. Now,what did Curly do?

A. Well, my father controlled it. They provided the money, but my father controlled it. By that means they would bring the money over the border and give it to my father and he had control of the money from the time the game started until the last bill was paid up each night.

Q. They would settle up each night?

A. Yes, and in that way there is no books to keep.

Q. They would take the money off the top?

A. Yes.

Q. And in what way was the money taken off the top for these Toronto people?

A. I don't know.

Q. Who would know?

A. Probably my father. He never told me.

Q. And the rest was divided according to the percentages?

A. That is correct.

Q. Was this Glassman just a nominee of a person or persons in the club?

A. I wouldn't know. All I know, he was the person who was bringing the money over. I never witnessed him taking it out of his pocket and handing it to my father.

Q. You don't know who he represented?

A. No.

Q. And your father and Gardner got a percentage of the profits?

A. Yes, sir.

THE COMMISSIONER: Q. Have you any idea how much?

A. My father received 20 per cent. He was receiving, when he and Gardner operated the club themselves, of course he was receiving 50 per cent. That is 50 per cent of practically nothing because they weren't doing the business.

And when the Americans were sending the customers over and they had their interest in it, he was receiving 20 per cent. How much Gardner was receiving, I wouldn't swear to. But in my opinion it would be less.

MR. WILSON: Q. What did Gardner do in regard to this operation?

A. Security.

Q. Security. What does that mean, exactly?

A. A big hammer on the door, that is Frank's job. The police would come and it was Frank's job to do the best to keep them out. And he would scream individuals coming in.

Q. It was his job in there to protect the place?

A. That is right.

Q. Did he have outside lookouts?

A. Well, people parking cars and things like that. A man at the door and things like that. Dogs.

THE COMMISSIONER: Q. Dogs?

A. Yes, two dogs, I believe, at one time. And one dog died and then there was just one dog.

RE/4 MR. WILSON: Q. What did the dogs do?

A. The building was constructed with a blind side, and as far as the operation was concerned, they had a dog and runner

running up and down the blind side.

Q. They ran up and down the blind side?

A. He would have full control of the blind side.

Q. What kind of a dog was it?

A. A collie.

Q. A collie. Was it a friendly collie?

A. Friendly to me.

THE COMMISSIONER: Oh, I know.

MR. WILSON: Q. Was it friendly to strangers?

A. If I was there, yes. If I was there he wouldn't harm a soul, but if I wasn't there, you take your chances.

Q. Now, when you talk of security, did this business of this information that was given by the Toronto interests; was it taken care of by Gardner or your father?

A. My father, as far as I know.

Q. Your father?

A. That is, if I understand you correctly. Now, the Toronto interests were taken care of by my father on a financial arrangement.

Q. You say it was a wage arrangement?

A. Yes, a wage arrangement.

Q. How often were they paid?

A. I wouldn't know. I have no idea.

Q. Did Gardner ever gamble at the

club?

A. No.

Q. Was he ever allowed in the gambling room?

A. No, because his job was security. And if a man is found in the gambling room, he can't be doing his job.

MR. WILSON: That is all, thank you.

EXAMINED BY MR. HOGE:

Q. Amongst the full-time employees there, did you hear the name McDermott and Feeley?

A. No.

Q. That wasn't discussed?

A. No.

Q. What about Louis Herman?

A. No.

THE COMMISSIONER: Q. Did you ever hear the name Herman?

A. Yes, I have.

Q. From who?

A. Well, my dad.

Q. About what?

A. A lawyer representing -- I believe he was a lawyer who obtained one of their charters,

if I am not mistaken, or they obtained a charter through that lawyer.

MR. HOOD: Q. Do you know who paid Herman?

A. No, but as far as pay was concerned, that was my father's job.

Q. Once the Americans came in and took over the banking of this business --

A. Yes.

Q. -- how much would you say that would be made on the average night? There would be ups and downs, but what would be the big pay-off for a week?

A. I was very close to the financial picture because of the fact that my father was handling the money.

Q. You were very close?

A. Not too close to how much money was made or lost, but my dad's percentage of the money that was won or lost.

Q. You could figure it out from the percentage your dad got?

A. And at nights my father would take home so much percentage, plus a wage and some nights, of course, he lost. On the percentage, I will be quite honest, they lost money, because their expenses were too high. If their expenses were lower they would have made money. In other words, they made money gambling but they spent it on wages and expenses.

Q. What were the wages and expenses?

A. Quite high.

Q. How much would that be?

A. Myself, I received $10 a day for cleaning the place, and from what I understand the lookouts received about $15, and my dad received $30 and the dealers were paid about $30, I think it was. And then there was a staff of quite a few people.

Q. Your father would make some money out of it?

A. Yes, at times.

Q. After the Americans were brought in?

A. After the Americans were brought in.

Q. What would that run? Would there be expenses of two or three hundred dollars a night?

A. It is hard to say on an average. I will tell you why it is hard to say, because my father would say, give my mother enough to manage for bread and things like that, what I would call, you know, the necessities.

THE COMMISSIONER: Q. Household expenses?

A. The household expenses, yes. And the rest of the money he just put in his pocket and the next day he was at the race-track or somewhere else with it. You never know what he had in his pocket.

MR.HOGG: Q. You never knew what he had in his pocket on occasion. Have you ever

seen him with any large amount?

A. Yes, certainly.

Q. What would a large amount be?

A. I have seen my dad, on occasion, carry $10,000 or so on him.

Q. $10,000?

A. Oh, yes.

Q. And this would be money that he would gamble away?

A. Oh, yes, he has lost a lot of money.

Q. Had this money come from the operation of the club?

A. Some of it. Not all of it. Some.

THE COMMISSIONER: Q. Did he keep a bank account, do you know?

A. There was so many bank accounts. They are all in debit now. You couldn't keep track of them all. He wouldn't keep a bank account with a large amount of money in it because take the time -- let us go back to the time my dad received the money for the National Radiator. He received one large block of money and by the time he paid all his bills and gambled the rest away in a short period of time, there wasn't any money in the bank. The bank account went from a large amount to nothing. That is the way he was with every bank account he had. He might

put in a large amount and in a short time it was all gone and he would be in debt, too.

MR. HOGG: Q. Were the profits figured out every night?

A. Yes, the profits and losses.

Q. And would your father make as much as $1,000, $2,000 a night?

A. Not to my knowledge.

THE COMMISSIONER: Q. You wouldn't know?

A. I wouldn't know. He would know.

MR. HOGG: Q. Did you ever hear ---

THE COMMISSIONER: Just a minute.

Q. He would know what?

A. He would know how much he had, but he wouldn't save it.

Q. He wouldn't save it?

A. No, because he is a chronic gambler. He just took it out and gambled it.

Q. He just took it out -- pardon?

A. He just took it out to get some action.

Q. Was there some opposition at home to his gambling?

A. Oh, yes. It just went in one ear and out the other. At the time he sold National Radiator, my brother and I, we made him put some money in the bank for my mother, in my mother's name and after he lost his money that he had obtained from selling his share of National Radiator, my mother gave him

back his money and this is the time my brother said, "That is it". We have had enough of it. He had a row. He couldn't be made to understand.

Q. I suppose it is really the different items that added up over the years. He wouldn't be telling you or your mother what his earnings were on a particular night?

A. That is right. We were right on him. He provided a roof for my mother and money to run the household, but any other money he had, he wouldn't tell us. We would be right on him to take it from him to try to stop him from losing it.

Q. You wouldn't know whether he was winning or losing in his operation?

A. You would know by his face, that's all. He would come home and if he was happy, he had won. And if he come home sad, he would have had a bad night. And if he didn't go to the track the following day, he wouldn't have the money to go, and that was it. So he lost.

Q. What track?

A. The racetrack in Detroit.

Q. He wouldn't be going over there in the winter?

A. No,but in the summer months. In the winter months, say, he would get into various games around Detroit.

Q. What is this unusual game they play in Detroit?

A. Barbuit.

THE COMMISSIONER: How do you spell that?

MR. WILSON: B-a-r-b-u-i-t.

THE WITNESS: I don't know how to spell it. I know how to say it but I don't know how to spell it.

THE COMMISSIONER: Q. Did he have a reputation in that type of game?

A. King of the Barbuit and Flying Canadian, a lot of crazy names. He made a very large killing one time in Detroit. By killing, I mean he won a large amount of money.

Q. Pardon?

A. He ran up quite a bit of money playing Barbuit. He lost, too. But at one time, the game -- it is like the old adage, it was good advertising to win. When he won, everybody in the world knew it, and when he lost, nobody knew it.

Q. How much was the big win?

A. Around $15,000 in one evening.

Q. In one evening?

A. As a matter of fact, a little lower. At that time American money was at a premium.

THE COMMISSIONER: All right.

MR. HOAG: Q. At any rate, did you ever hear of this club losing 31 Nights in a row?

A. Yes.

Q. Did your father make frequent trips to Toronto?

A. No.

Q. Did Curly Gardner, do you know?

A. Not to my knowledge.

Q. Did you ever hear your father speak of Sergeant Hatch?as a man who couldn't be bribed?

A. Yes.

Q. There was some discussion, I take it, about different police officers who were in opposition?

A. Well,Sergeant Hatch had been heckling the club, if you want to call it that, by every manoeuvre. By parking police cars out in front and raids and that sort of thing. At that time he was sergeant, but now an inspector.

Q. At one time he was spoken of as a man who couldn't be bribed. Do you know a man who attempted to get to him?

A. No, I wouldn't know.

Q. These charters of these clubs, were they bought or purchased?

THE COMMISSIONER: The what?

THE WITNESS: They were numerous. How they obtained them, I couldn't tell you.

MR. MOGG: Thank you, sir.

THE COMMISSIONER: Mr. Rose?

EXAMINED BY MR. ROSS:

Q. Mr. Finnigan, you said, in answer to a question of Mr. Wilson's, you made a statement some days ago. Where was that?

A. The R.C.M.P. people and the Ontario Provincial Police people in the Windsor area.

Q. How did that come about?

A. Right after my father's funeral, as a matter of fact a day after my father's funeral, Inspector Hatch and an R.C.M.P. constable came to the place where we were living and asked me if I would mind going with them to answer a few questions and I said, "Not at all." And I went with them.

Q. Where did you go to first? The R.C.M.P. or the Ontario Provincial Police?

A. The R.C.M.P.

Q. Is that where you answered the questions?

A. At both places on two separate days.

Q. Who was asking the questions?

A. Actually it wasn't questions. It was part questions and them asking me to explain my father's position.

Q. To explain your father's position or interest in the Roseland Club?

A. That is right.

Q. I suppose you told them what you have mentioned today?

A. Yes, what I know, to the best of my knowledge.

Q. You gave a statement atthat time?

A. Not a statement. They had a tape recorder going.

Q. They had a tape recorder?

A. Yes.

Q. And subsequently you were served with a subpoena to appear here?

A. Yes.

Q. When did you receive that?

A. The 24th of September, approximately nine o'clock in the evening.

Q. And since you were served with that subpoena, have you made any statements concerning this matter to anybody else?

A. No, I haven't.

Q. I gather from what you say, a great amount of the information you have concerning the percentages in the club and the outside interests, were statements obtained or given to you by your father?

A. That is correct.

Q. And I believe your father died on September 17th?

A. That is correct.

Q. And I gather from what you say

that your father and Gardner had the Roseland Club together for some time, and do I take it, they both had 50 per cent of the club?

A. Yes, at that time they did. My father put up the club, plus the money, and Frank Gardner was to put up the people. He was to steer the people there.

Q. Was it during that period of time your father and Frank Gardner were running it, that the club lost 31 nights in a row?

A. No.

Q. It was after that?

A. Yes.

Q. Anyway, it wasn't running [illegible] profitably and it was decided to bring in fresh capital?

A. Yes. Not only for that reason. My father was gambling away all the money that he was putting up for capital. He was gambling outside of the club and going to racetracks or wherever he could gamble, and [illegible] games.

Q. The combination of losses and your father taking his capital elsewhere and gambling?

A. That is right. By moving in the club, you mean?

Q. Yes.

A. Well, the expenses on of the club weren't too high, but they couldn't get the people.

They couldn't get people to the club.

Q. Yes?

A. And the expenses were more than what they could make out of it and, ofcourse, they had to lose money. It just wasn't there.

Q. Whether they lost money or not, anyway it was necessary to bring in fresh capital?

A. From what I understand, yes, and fresh people.

Q. Your understanding from your father was that the outside capital came from Detroit?

A. That is right.

Q. And the fresh people came from Detroit?

A. That is correct.

Q. And you mentioned a man by the name of Glassman who transported the money back and forth from Detroit to Windsor?

A. To the best of my knowledge, I never witnessed any transferring of the money myself.

Q. Have you ever met Glassman?

A. On occasion, yes.

Q. Did Glassman have an interest in the club?

A. Not to my knowledge.

Q. And your information which you obtained from your father, was that your father had 20 per cent and Frank Gardner had

somewhat less?

A. Yes.

Q. Did your father ever discuss with you that Gardner had part of your father's 20 per cent?

A. No. My father's 20 per cent was clear.

Q. That 20 per cent was clear. Therefore, there would be left 80 per cent to be split between Gardner and the Detroit interests?

A. Yes, sir.

THE COMMISSIONER: What is that? I don't follow your arithmetic.

MR. ROSE: I said that after your father's interest there would be 80 per cent left to be split between Gardner and the Detroit interests.

THE COMMISSIONER: Oh, yes.

MR. ROSE: Q. Of which, Gardner's split of that amount, would be less than 20 per cent ?

mr/6

A. To my knowledge, yes. Not more, at any rate. The amount I am not sure of. Less.

Q. Did your father ever mention to you the name Billy Giacalone?

A. I have met Mr. Giacalone.

Q. Where?

A. In the club.

Q. What was his interest in the club?

A. As far as I was concerned, he was just one of the people there. As far as having an interest, I don't know.

Q. You don't know?

A. No.

Q. The reason I asked you, is that Frank Gardner has given evidence of the fact that Giacalone had a major interest in the club.

A. That may be true. I wouldn't say one way or the other.

Q. Giacalone is a well known gambler in the Detroit,Windsor area?

A. To the best of my knowledge, yes.

Q. You didn't hear anybody, your father or anybody else, suggest that Toronto people had a financial interest in the club?

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cc/RJH/1

A. No, as far as I was led to understand, Toronto people were just being paid a straight amount of money. How much, I don't know.

THE COMMISSIONER: Win, lose or draw, Toronto got its money?

A. That is correct.

MR. ROSE: Got which, sir?

THE COMMISSIONER: Win, lose or draw, the Toronto people, whoever they were, got their money?

MR. ROSE: Yes, but that is the only information you have as to any payments going out of the club to Toronto people?

A. Yes.

Q. And did I take it also from your evidence, that the operation still lost money, even after the American capital came in?

A. Yes, because the expenses were too high.

Q. Mr. Gardner -- would you agree that Mr. Gardner said he did not make any money out of the club?

A. I do, he made wages, he made percentage, but on the overall picture they lost money.

Q. They lost money all the way through?

A. All the way through they lost money.

THE COMMISSIONER: Where would your father be getting money when he lost money gambling in Detroit?

A. He had about $180,000 from National Radiator, and before he sold National Radiator he was in a healthy financial picture, plus before he opened the club he obtained a large sum when he went gambling in Detroit, that is where he got the name of King of the Barbuit, which was prior to 1954, and he was drawing a wage every night in the club, plus the percentage. The policy was that everybody got a wage, and if they made a profit they broke it up and if they didn't they would just have to cover the loss on another night's win.

Q. On the assumption that the club was losing money, all your father would get would be the wage?

A. Well, on occasion he would get money, supposing Monday night the club made money, Tuesday night the club made money, Wednesday night the club made money, well those three nights he would at the end of the evening, or at the end of the morning, when it broke up, he would get his wage plus a percentage of whatever winnings were left and on the Wednesday, or Thursday night when the club lost money, well he would get his wage, and on Friday night if

they made money, it would be applied to the loss of Thursday night, so on occasion he did get money as a percentage, but on the overall picture the club was always running into the red.

Q. But he got a wage, whether the club made money or not?

A. Yes.

Q. That is what I say, so that if looking at the overall picture the club was losing money, to go back a piece -- he sold his interest in the National Radiator in 1954, 1955, and got about $180,000?

A. Approximately,yes.

Q. And I understood you to say that six months to a year later, he had dissipated all of that?

A. Yes.

Q. And only had enough to keep the home fires burning?

A. That is right.

Q. Well, then, if after that time, either on the Friday, when he was losing at the club -- excuse me -- and all he had to gamble then in Detroit at the races, or any place else, would be the wages that he was making?

A. Yes, and the fact that my dad, who was at one time a very influential man in the Windsor area, and his credit was quite

good, he borrowed an awful lot of money too, so he got himself in debt, as well as losing the $150,000, besides losing the money he was making prior to his selling of the National Radiator, besides losing the money he had won in gambling, he borrowed on more than one occasion from personal friends in banks, and from whoever he could borrow it from.

Q. I see.

A. But, the amount of his losses was always greater than the amount of money he had, no matter how much money the man had.

THE COMMISSIONER: All right. Mr. Rose?

MR. ROSE: Q. I gathered also from your evidence, Mr. Finnigan, that -- would it be fair to say that in November or December of 1957, even though this operation was losing, that your father did carry on his person some sums of money in the amount of $10,000, or in excess?

A. Not around that sum, no.

Q. When was the last time you saw him carrying sums of money in that amount?

A. He bought a Cadillac -- a Lincoln, pardon me, in 1956.

Q. Yes?

A. Which he had won the money gambling, and he had a large amount of money shortly after that proposition, a few months

after that he had large sums of money after. But then eventually it all dwindled, I would say before 1957 started -- the end of 1956.

Q. The last time you saw him with large sums of money was then?

A. Yes.

Q. So if he had handed to Mr. McDermott the sum of some $10,000 in November or December of 1957, for certain purposes, could you tell us where he may have obtained it?

A. I would not have any idea, other than borrowing it.

Q. Was he in a position to borrow that type of money?

A. My father is a very friendly person, he raises it somehow.

Q. He would raise it?

A. He would raise it -- if that is true that he gave Mr. McDermott money, I would not know.

Q. I said if it is correct?

A. If it is correct.

Q. Were you aware of the fact that your father was in Toronto about a week or ten days before he died?

A. Yes.

Q. How long was he over here for, do you know?

A. He was here two days.

MR. ROSE: All right, thank you.

THE COMMISSIONER: Do you know what he was doing here?

A. Yes, he was down contacting a lawyer by the name of Mr. Hugh Locke, about forming a company, for mining purposes, to sell stock and mining -- you see, my father and I were up north, and we staked some property up there, and as you know it needs capital to operate the claims we made, and he was going to form a company, and sell shares, and go up and operate the property, and he needed capital.

Q. Where was the property?

A. Approximately sixty miles northeast of Mayo, Yukon.

Q. Up in the Yukon?

A. Yes.

Q. So he came down and consulted Mr. Locke?

A. Correct, about the forming of a company.

Q. And that is Locke, of Humphrey & Locke?

A. That is correct.

Q. About two weeks before he died?

A. Approximately, yes. The date I would not be sure of.

THE COMMISSIONER: Yes, Mr. Wilson?

EXAMINED BY MR. WILSON:

Q. Did he tell you whether he had discussed the activities at Roseland with Mr. Locke?

A. No, he would not have.

Q. Did you ask him?

A. No.

Q. Now, after your first interview recently, which you said was at the R.C.M.P. Building in Windsor, did you speak to Curly Gardner?

A. No.

cc/2

Q. Have you spoken to him since that time?

A. No.

Q. Or his son?

A. No, none of them.

Q. Now, in the statement you gave at the R.C.M.P. Building in Windsor, you were speaking about Toronto interests who were paid. You told them that it was a straight pay, and didn't you also tell them that it did not involve Feeley, but only McDermott?

A. To the best of my knowledge the pay was coming to Toronto, but I was never told who was accepting the money, it was just projectory on my part, that McDermott was receiving it.

THE COMMISSIONER: What made you think

that?

A. The fact I saw Mr. McDermott at the club once, and the fact that -- well, I just felt that was the way it was, that is all. Nobody told me it was.

MR. WILSON: Why would you say it did not involve Peeley?

A. I had never metthe man. I had seen him, but never met the man.

Q. The only person you connected with the Toronto group was McDermott?

A. Yes.

Q. And you say that is your own idea?

A. Yes, sir.

MR. WILSON: Thank you.

MR. ROSE: I wonder if I might ask a few questions, Mr. Commissioner, on those last few remarks?

THE COMMISSIONER: Yes.

EXAMINED BY MR. ROSE:

Q. May I ask you this, Mr. Finnigan, would it not be that the reason you thought that it may be McDermott, was because you have been reading about the proceedings before this Royal Commission, and the question

of corruption and graft had come up?

A. The first thing I read about the Royal Commission was yesterday -- in yesterday's paper.

Q. That is the first you read or heard about it?

A. Yes.

Q. And when you say you thought it was McDermott, that is something in your own mind?

A. That is correct. I mean, no one came up and told me it was McDermott that was getting the money, but I knew from my father telling me, that McDermott had a club in Toronto -- in the Toronto area some place, and two and two make four.

MR. ROSE: Thank you.

THE COMMISSIONER: Yes. That is the only reason?

A. That would be the only reason.

THE COMMISSIONER: All right. Is that all, Mr. Wilson?

MR. WILSON: That is all, thank you.

THE COMMISSIONER: All right.

---The witness withdrew.

THE COMMISSIONER: We will adjourn now for ten minutes.

---Whereupon the hearing adjourned for a ten minute recess.

---Upon resuming at 4.10 p.m.

THE COMMISSIONER: Yes, Mr. Wilson?

MR. WILSON: I will call Mr. Pitts.

ARNOLD PITTS, sworn,

EXAMINED BY MR. WILSON:

Q. Mr. Pitts, where do you reside?

A. Windsor, Ontario, sir.

Q. And how long have you lived there?

A. All my life.

THE COMMISSIONER: How old are you now?

A. Thirty-three.

MR. WILSON: And you were a friend of Curly Gardner's son, Robert Gardner?

A. Yes, sir.

Q. And through him, did you -- were you introduced to his father, Frank Gardner, around April -- March or April of '57?

A. Yes, sir.

Q. And as a result of that introduction

did you get a job at the Army, Navy and Air Force Club?

A. Yes, sir, I was hired as a steward at the club.

Q. You were hired as a steward at the club?

A. Yes.

Q. And you started as a steward, and then did you have a different job later on?

A. No, the job was -- it stayed the same -- as a steward, only it wasn't --

THE COMMISSIONER: What?

A. Well, I say I was hired as a steward, and I stayed as a steward until the club was closed.

Q. I thought you said something about there being a slight difference -- I did not hear what you said?

A. No, I didn't say that.

Q. I beg your pardon, I thought you said that you remained as a steward but it became a little different.

A. I mean to say ---

Q. I cannot hear you at all.

A. I meant to say there wasn't no difference, I remained a steward there until the club closed.

MR. WILSON: You stayed in that job until November the 24th, or whatever date -- November the 18th, I guess it was, of '57,

of 1957, when the club was raided?

A. Yes, sir.

Q. Now, what were your duties as a steward?

A. Well, I was to be seated by the front door, and admit members only into the club.

Q. And how would you identify the members?

A. Well, I was introduced to them by Mr. Gardner and his son, at that time.

Q. Now, during the priod you worked there, what was the security arrangements for the club?

A. Well, there were men there watching to see that the club was not interrupted in their games, and everything else.

Q. Men there that would see that the game was not interrupted?

A. Well, there were men at the doors and men that watched the door for parking, and shifted the gate.

Q. And if they thought something was suspicious, what did they do?

A. Well, they would notify me, I was the steward, and I would tell Mr. Gardner that there was something wrong.

THE COMMISSIONER: I am sorry, I cannot hear the witness. Will you stand up straight,

please.

THE WITNESS: Yes, sir.

MR. WILSON: Well, you would notify Mr. Frank Gardner, I take it?

A. Yes, sir.

Q. And then if it was a serious warning, what would happen?

A. Well, he would come to the door and see who was coming in, and it would be up to his discretion to let them in, or not.

Q. Well, now, there were occasions when police made raids on the ~~police~~ club while you were there?

A. No, sir, there was only one raid while I was employed there, and that is when they closed the club.

Q. And during the period that you were there, was there any information passed on to you, or to any one in the club, about the possibility of a raid?

A. No, sir, they seemed to know that the police were coming for the raid, but there was no actual discussion about it.

Q. You say they seemed to know the police were coming. Now, during the period that you were there you said the police never did come?

A. I said only at the time when they closed the place up, yes.

Q. How did you know anything about

what they would know about the police coming?

A. I said there was discussion about it.

Q. Discussion about it?

A. Yes.

Q. Amongst whom did the discussion ---

A. Among the employees there.

Q. I mean, this is what would happen if the club had been operating?

A. I imagine, sir.

Q. Did any one tell you about information having been given by anybody from Toronto?

A. No, sir.

Q. Not at all?

A. No.

Q. What did they tell you about the type of information they had received in the past?

A. Well, like I said, it was just conversation about the men that they knew the raid was coming, or that they knew ahead of time about it.

Q. Do you recall on one occasion when Frank Gardner received a telephone call that there was going to be a raid within the next three hours?

A. No, sir. He got a number of phone calls -- I mean, there was nothing actual pertaining for him to say there was --

THE COMMISSIONER: Nothing what? Whoever is operating this microphone, turn it up, I cannot hear this witness. Maybe, witness, you can stand back a little bit, it may be better. Now, don't get too close to it.

MR. WILSON: Now, do you recall ---

THE COMMISSIONER: I did not -- I heard your question, but I did not hear his answer. Would you repeat the question? You said something about, do you remember on one occasion ---

cc/3 THE WITNESS: He asked me if I had heard Mr. Gardner tell me about a raid, the police coming to raid the club, and I said, no, I had not actually heard that in phone calls when we were raided at that time when he told me the police were coming ---

Q. Who did?

A. Mr. Gardner.

Q. When was this?

A. When they raided it and closed the club.

Q. When they raided it and closed it up?

A. Yes.

MR. WILSON: Now, do you recall having a talk with Sergeant Macaulay of the R.C.M.P. on April the 16th of this year?

A. Yes, sir.

Q. And he wrote down some notes of

what you told him?

A. Yes, sir.

Q. And didn't you on that occasion saythat on one occasion, Gardner having received a telephone call at the club, and following this call he advised Pitts that Joe had told him there would be a police raid carried out by the Ontario Provincial Police Anti-Gambling Squad within the next three hours?

A. No, sir, that isn't the way I explained it to him. He asked me if there was any names mentioned and I said I heard the name Joe mentioned. I explained to him before I come in here that there could have been somebody sitting on the chesterfield with him, because I don't know -- at the time I was sitting -- I was two walls away and I could not see who he was talkingto, or anything else.

THE COMMISSIONER: You couldn't see who?

A. I couldn't see Mr. Gardner, and who he was talking to on the phone.

Q. He was on the phone?

A. Yes.

Q. And he was talking to somebody?

A. Yes.

Q. Did he come to you and say, "Joe has just called, there will be a raid within

three hours"?

A. No, he said something, "O.K., Joe", and I don't know whether he was talking to somebody on the phone, and then he walked out, and saidthat the police would be here.

Q. Let us get the sequence first. Gardner was sitting on a chesterfield?

A. Yes, sir.

Q. And where are you?

A. I am at the front door.

Q. How far is that from the front door?

A. Approximately thirty feet away.

Q. And Gardner is on the phone?

A. Yes.

Q. He ordinarily wouldn't be at the chesterfield, would he?

A. Yes, sir, he sat there most of the time.

Q. And this isn't in the gaming room?

A. No, sir.

Q. Is this sort of a lounge inside the front door?

A. Yes, a small sitting-room off of the hallway.

Q. Yes, and where was the phone?

A. The phone is in that room.

Q. Is it a desk phone, or a wall phone, or what?

A. No, it is a wall phone.

Q. A wall phone?

A. Yes, sir.

Q. Well, then, the phone rang, and who answered it?

A. Mr. Gardner answered it.

Q. And he went to the phone and spoke -- ?

A. Yes.

Q. And what did you hear him say?

A. I did not hear what he said, because, like I say, I was thirty feet away, and there is two walls in between there, and how long the conversation was, I don't know. He said something, "O.K., Joe", and I don't know whether he was talking to the man or not.

Q. You say there were two walls between you. Could you see him?

A. No, sir.

Q. How did you know he was sitting on a chesterfield?

A. I didn't say he was sitting on the chesterfield, that is where he usually sat, on a chesterfield.

Q. How did you know he was standing at the telephone?

A. Because you have to stand at a telephone, it is a wall telephone. There is no chairs inside.

Q. You could hear his voice, is that

what you say?

A. No, sir, I didn't pay that much attention to the phone. He got lots of calls. All I heard was the phone ring, and he talked on it, I didn't hear any conversation, or what he was saying, or not, and before he came into the room he said, "O.K., Joe".

Q. When you heard "O.K., Joe", was that at the end of the conversation

A. I don't know, sir, whether he was -- like I say, he could have been talking to somebody on the chesterfield.

Q. Was there anybody on the chesterfield?

A. Yes, there was two or three people in the room.

Q. Did you know them?

A. No, sir.

Q. Well, you heard him say, "O.K., Joe"?

A. Yes, sir.

Q. Now, did he come to you immediately afterwards and say anything to you -- ?

A. Yes, sir.

Q. Just a minute --

A. Yes.

Q. And what did he say to you?

A. He said the police would be here to-night.

Q. The police would be there to-night?

A. Yes.

Q. How long was that after the telephone conversation?

A. As I say, I don't know, because I never heard him hang up.

Q. Was it almost immediately after?

A. Well, the phone had rung, and he didn't come to me until about ten minutes after. I don't know how long the conversation went on, whether he had stopped for a while, and started talking to somebody else.

Q. You heard the phone ring, did you?

A. Yes.

Q. So shortly after you heard the phone ring, and heard his voice, and you heard him say, "O.K., Joe", and then he came to you and said, "Now, there will be a raid to-night", is that the sequence of events?

A. Yes, sir.

MR. WILSON: Q. Well, didn't you tell Sergeant Macaulay that after that telephone call that Pitts -- rather, that Gardner told you that Joe had told him there would be a police raid?

A. No, sir, I never told him that.

Q. So that you are saying that Sergeant Macaulay inaccurately wrote down what you said to him?

A. He must have, sir. I never said that to him.

Q. Now, how long after Gardner told you about the police coming, did the police come?

A. Yes, sir, they came.

Q. They came?

A. Yes, sir.

THE COMMISSIONER: How long after?

A. Within an hour, I guess it was.

MR. WILSON: And what force was it?

A. Three policemen.

Q. The Ontario Provincial Police?

A. Yes, sir.

Q. And between the time that Gardner spoke to you and the time that the police arrived, what happened in the club?

A. I don't actually know, sir, I was standing at the door, while -- and anything that was going on in the club was going on downstairs in another room. I was just told to open the door when the police came.

Q. And didn't you tell Sergeant Macaulay that Vâto -- who is Vâto?

A. I don't know who Vito is.

Q. Who is the Italian that you spoke to him about, who was there?

A. I don't know him by name. He asked me who came around there regularly, and I said an Italian fellow came there regularly.

Q. And did he leave the club after

Gardner spoke to you about the raid going to take place?

A. No, sir, he was there.

Q. Why did you tell Macaulay that Gardner advised the gaming room, and some of the patrons, including Vito the Italian, to leave the club?

A. Nobody left the club that time.

Q. And you are denying that you said this to Macaulay?

A. Yes, sir.

Q. And Macaulay said you then said that the dice and the paraphernalia were destroyed, and the card games and pool games commenced.

cc/4

A. I did not say that, I said that I imagined they destroyed the dice and that there was a pool game going on. I did not say they did.

Q. And was there a social card game started up, after you got the word?

A. No, they were playing pool and watching television.

Q. Why would you tell the story to Sergeant Macaulay on April 16th of this year?

A. I did not tell him any story. In the first place, he asked me different questions pertaining to the club -- he and another police officer, and I told him what

I imagined was going on. I told them I didn't know that was positive, or anything else.

Q. There is no imagination in this statement -- you told them this, that I am reading to you?

A. No, I didn't.

Q. You are denying that you told them about this call, and about this raid?

A. Yes, sir. I told them about the call and raid, but not the name of Joe -- I was positive Mr. Gardner gots call, sir, or anything like that.

Q. And after, when the police came, you had received instructions to open the door?

A. Yes, sir.

Q. And let them in?

A. Yes, sir.

Q. And what did they do?

A. They give me a search warrant to come in.

Q. What did they do then?

A. They placed everybody under arrest.

THE COMMISSIONER: What?

A. They placed everybody under arrest in the club. They left me there, and took the rest down to the O.P.P. detachment, and they took me down two hours later.

MR. WILSON: Now, are you saying that this raid is the raid that resulted in the

charges being made against Finnigan, Gardner and yourself?

A. Yes, sir.

Q. And that is the raid you are talking about?

A. Yes, sir.

THE COMMISSIONER: You are certain of that?

A. Yes, sir, I was charged with it, sir.

MR. WILSON: And isn't it a fact when you talked to Sergeant Macaulay on April the 16th of 1962, you told them that in the fall of 1957, when the club was finally closed, through police action, that there was no advance word received?

A. No, sir, I did not tell them.

THE COMMISSIONER: What do you do for a living now?

A. I am a waiter, sir, in a hotel in Windsor, Ontario.

Q. What are your means of livelihood -- what is your means of livelihood -- what were your means of livelihood before you went to work?

A. I worked for Canada Bridge for six and a half months, but was laid off there.

Q. And before that?

A. I was on the relief for another year and a half, and I have been under doctor's

care off and on.

Q. Have you ever been in trouble with the police?

A. No, sir.

MR. WILSON: What is your answer to that? You have never been in trouble with the police?

A. That is what I said to that.

Q. You are swearing that under oath?

A. Yes, I am swearing that under oath.

Q. And you are Arnold Pitts?

A. Yes, I am.

Q. And this is your record ---

THE COMMISSIONER: Well, ask him if it is his record.

MR. WILSON: I will ask him.

Q. Now, in 1945, on June the 8th, at Windsor, you were charged with disorderly conduct, and fined, is that right?

A. Yes, sir.

Q. And on the 30th of December, 1957, at Windsor, you were charged with keeping a common gaming house, and that charge ---

A. It was dismissed, and you should not be allowed to read that charge then.

Q. And then on May the 21st, at Windsor, you were charged with causing a disturbance, and you were fined?

A. Yes, sir.

Q. And then you have the other charge that was withdrawn at the time Finnigan and

Gardner pleaded guilty?

A. That is right, sir.

THE COMMISSIONER: Now, do you still swear under oath that you had never been in trouble with the police before?

A. I thought you were talking about criminal offences when you say trouble. Is it trouble when a man has a beer and gets in a fight one day, and is that what you call such bad charges?

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Q. Now, since April the 16th, 1962, have you talked to Curly Gardner?

A. Yes, sir. I - Well, I talked to him, yes, a day or two after I had my subpoena to come down here.

Q. A day or two after you had your subpoena to come down here, and when were you subpoenaed?

A. I can't recall the day right now, it is about three months ago.

Q. Yes.

A. I came down here the day I was subpoenaed.

Q. And what was your talk with Gardner at that time?

A. Oh, I asked him if any of his sons or anybody else he knew had got a subpoena so I could share a ride down to Toronto.

Q. And did you tell him that you had talked to both Sergeant Macaulay and Sergeant Hatch, as he was then - Inspector Hatch - Inspector Hatch?

A. I would have talked to Mr. Hatch, I think,and to Mr. Macaulay, but Ididn't tell Mr. Gardner about that.

Q. You didn't tell Mr. Gardner aboutthat?

A. No, sir.

Q. And what advice did Mr. Gardner give you about the evidence you were going to

give here?

A. He told me to come down here and tell you everything, and not to have any bad feelings towards anybody about it.

Q. Now, did you talk to anybody else about the evidence that you were going to give before this Commission?

A. No, sir.

Q. And you are saying that Sergeant Macaulay in writing down what you told him is completely inaccurate so far as the fact that there was a previous tip-off prior to the raid in November of 1957?

A. If that is the way he had it written there, sir, then it is a mistake.

Q. Yes.

A. Because the only time there was a call was when the club had been raided.

Q. And are you suggesting he is mistaken when he writes down that - the fact that you told him that the club was finally closed in the fall of 1957 through police action, but there was no advance word received?

A. No, sir. I don't remember telling him that.

Q. Do you deny that?

A. Yes, sir.

Q. Under oath?

A. I deny it, that is right.

Q. And you again say that the only

raid that you talked about to Sergeant Macaulay was the raid at the time you were arrested?

A. No, sir. We were talking about other raids that had gone on there, a conversation with other people in the club before I had worked there, but that was no statement I made. I saw no raid other than the one I had made there.

Q. Now, when you told him about Joe was when you were there? That wasn't anything before your time at all?

A. No, sir, that is right.

Q. Now your story today is that it was this conversation that Gardner had with somebody called Joe that night?

A. No, sir, I didn't say that was a conversation that Mr. Gardner had with some guy named Joe; I said he had got a phone call. Whether he had hung up the phone and talked to somebody on the chesterfield by the name of Joe, or whether he had been talking to somebody on the phone by that name, he came out the door and told me the police are coming here, and he returned later and told me to let the police in when they came.

THE COMMISSIONER: That was the night of the final raid?

A. Yes, sir.

Q. And you are swearing that ---

A. I was there, sir.

Q. -- from April, '57 until November '57?

A. Yes, sir, I was there.

Q. Did you miss any nights?

A. No, sir.

Q. And you say there was no raid at any time between April and November, '57?

A. No, there wasn't, sir.

MR. WILSON: Could I have just a moment, Mr. Commissioner. I want to turn up a document.

Q. Did you talk to any lawyer about the evidence you were going to give here?

A. No, sir.

Q. You are swearing that you did not talk to anybody at all, apart from Gardner, after you got your subpoena, about the evidence you were going to give here?

A. That is right, sir.

MR. HOGG: Mr. Commissioner, while Mr. Wilson is looking for this document, I was going to ask if I could be supplied with a copy of the statement, now not as of right, because I don't think any precedent should be established that counsel is entitled to any statements that witnesses may have made to the police, and I certainly wouldn't want to suggest that under these circumstances the counsel could have such a statement; but in this particular case I would ask that I be

allowed to see the statement.

THE COMMISSIONER: Well, I hear you asking. I will reserve my answer.

MR. WILSON: Q. You say you were there every night after you were employed, in what month was it?

A. I was employed in the job of steward with the club, sir.

Q. You were there every night starting in that month, March of 1950 ---

A. No, sir. It was after the last raid, before they closed up. I can't tell you exactly the date.

Q. Now, you either misunderstand me, or you are being deliberately evasive. You were employed as you told Sergeant Macaulay in March or April of 1957 as steward?

A. I think I told him April. He looked up the date of the raid that closed the club before the last time, and I told him I was employed there right after that. I didn't name any specific day that I started there.

Q. And were you there every night, then, from then on?

A. Yes, sir.

Q. Until the club was closed?

A. Yes, sir.

Q. And what date in April did you first start to work?

A. I couldn't tell you that date, sir.

Q. Why did you mention March?

A. Because we were holding a discussion there, and he - I told him that I started there after the last raid, and he told me it was in March. I told him I must have been employed there starting in April.

Q. Well, now, were you there on April 9th when there was a raid?

A. No, sir.

Q. Were you there on April 12th when there was a raid?

A. No, sir.

Q. Were you there on April 17th when there was a raid?

A. No, sir.

Q. April 19th, when there was a raid?

A. No, sir.

Q. April the 25th, when there was a raid?

A. No, I wasn't, sir.

Q. On September 21st were you there when there was a raid?

A. If that is the one that closed the club, I was. I don't remember the dates.

Q. No, that one did not close the club.

A. Well, there was no raid there when I was there.

Q. Well, the evidence was there was a raid on that date.

A. There was no raid when I was there.

THE COMMISSIONER: Q. Were you there every night?

A. Yes, sir.

Q. You didn't lose any time through sickness?

A. No, sir, I worked --

Q. You weren't absent at any time?

A. No, sir. I worked six days a week.

Q. How much were you paid?

A. $20 a night.

Q. Now, if the record, the official record shows that there were raids during the time that you were there as a steward, what do you say about your sworn oath here that there wasn't?

A. I will have to say that the records are wrong, then, because I am fully aware of my mind, and there were no raids while I was employed, apart from the last one, when they closed it up.

Q. And were you always stationed at the door?

A. Yes, sir, that was my job to stand at the door.

Q. And there was no other way they could get into the club, except through that door?

A. No, sir. They had to come through

the front gate that had a crossbar on it, and come through the front stairs into the --

Q. All right, I hear what you say.

MR. WILSON: Q. Do you recall being interviewed by Sergeant Robitaille of the Windsor police?

A. Lieutenant Robitaille, yes, sir.

Q. Well, maybe he was a sergeant then. When did he interview you about the operations of the club?

b/2 A. When he come to the Seminole Hotel and picked me up.

THE COMMISSIONER: Q. When he what?

A. When he come to the Seminole Hotel and picked me up.

Q. The Central Hotel?

A. Seminole Hotel, where I work in Windsor.

Q. Oh, I see, where you are working now.

A. Yes, sir.

MR. WILSON: Q. Was that after the raid that closed the club?

A. Sir, that is only about five months ago that he took that.

Q. Five months ago?

A. When he come. I don't know exactly five months. I say about five months.

Q. Did he ask you some questions about the operation of the club at that time?

A. He asked me some questions about a man's son, Norm Johnson's son, if I knew his whereabouts.

Q. Did he ask you about a payoff for protection?

A. Yes, sir, he did.

Q. Then what did you tell him?

A. I told him I didn't know if there was or not.

Q. Are you sure you told him that?

A. Yes, sir.

Q. Are all these officers wrong?

A. I am not going to say they are wrong, I am just sticking up for my own.

Q. Isn't it a fact you told him you had every reason to believe there was a payoff?

A. No, sir.

Q. You deny making that statement to him?

A. Yes, sir, that is right.

Q. So that you deny making statements to both?

A. I am not denying. I said they are inaccurate statements.

Q. And you are stick-ing up for your own story?

A. I am sticking up for my own self, yes.

Q. No, I thought you said sticking up for your own story?

A. Well, the story concerns me. I am sticking up for myself.

Q. And what inducement has been made to you to do it?

A. None, sir.

Q. You are quite sure?

A. Yes, sir. I am very sure.

THE COMMISSIONER: Q. Was anyone - well, never mind.

MR. WILSON: Q. Now, did you tell Sergeant - Lieutenant Robitaille about the off being on on occasions when you were working there?

A. Pardon me?

Q. Did you tell Lieutenant Robitaille about the off being on on occasions while you worked there? You know what the off is?

A. No, I don't know what the off is.

Q. You don't?

A. No, sir.

Q. You wouldn't use that kind of language?

A. No, sir, I wouldn't.

Q. And would there be occasions then when there was no gambling going on because there had been some warning?

A. I don't know, sir. There has been nights when there wasn't gambling going on.

Q. Yes?

A. Yes.

Q. And why would that be?

A. I don't know.

Q. And what did you tell the Lieutenant about that?

A. I didn't tell him anything about that. I don't even remember using the word "off" on any of them.

Q. Did you tell him that the off came from outside sources, or the information about a possible raid came from outside sources?

A. No, sir, I didn't tell him that.

Q. He just dreamnt that up, eh?

A. No, I don't say he dreamnt it up, maybe he heard it from somebody else, I don't know.

Q. And did you also tell the Lieutenant that you always knew, and the club always knew of a raid from 30 minutes to three hours in advance when the flying squad ---

A. I --

Q. Listen to my question. When the flying squad from Toronto was on its way?

A. No, sir. I didn't tell him that. I was only there on one raid, so why would I be telling him about other raids?

Q. Just answer the question. You are swearing you never told him about that, or anything like that?

A. I told him we knew about the raid that closed the club up.

Q. Do you deny that you told him the club always knew, and you always knew 30 minutes to three hours before a raid was made on the premises?

A. That is right, sir.

Q. That is your story here? You are under oath.

A. Yes, sir.

Q. You appreciate what the law of perjury is?

A. I am not interested in the law of perjury, sir. I am not perjuring.

THE COMMISSIONER: You are not what?

A. I am not perjuring.

Q. What did you say? You are not interested in the law of perjury?

A. That is right. I mean, I am not here to perjure the court, or anything else. I came here on my own to the court to give testimony.

Q. Oh, no, you didn't come here on your own, you were brought here. You were subpoenaed.

A. I came here the last time without a subpoena when the officer asked me to come down.

Q. It is the first time I have seen you.

A. I was here about three months before this gentleman here seen me.

MR. WILSON: Q. And did you also tell the Lieutenant that when the information was received about a raid by telephone that necessary precautions were taken at the club?

A. No, sir. I said I was only there on one raid, so I wouldn't be telling him about other raids or precautions.

Q. Now, in any event, what did you say? Did you not tell the Lieutenant that?

A. No, sir, I didn't tell him that.

Q. Didn't you tell him anything about the precautions being taken when information was given to you or to the club about a possible raid?

A. Yes, about precautions, and I told him about us knowing about the raid coming and he asked what precautions was were taken, and I told him at that time what were taken when the club was raided.

Q. Well, now, you say that when you are talking about the Lieutenant and Sergeant Macaulay, you were talking about the raid in November when the club was - after which the club was closed up?

A. Yes, sir.

Q. And you are saying that the club had how much advance information about that raid?

A. I don't know. I said the police came within an hour after I was notified.

Q. You say it was an hour after you got the tip-off?

A. An hour after Mr. Gardner told me that the police were coming.

Q. Yes, and when the police came you let them in?

A. Yes, sir.

Q. And how much -- at that time was any gambling going on in the club?

A. There was none going on when the police came.

Q. No?

A. There was gambling before but there was none when the police came.

Q. Well, then, that being the case, there was nothing doing at all when the police arrived?

A. No, sir.

MR. WILSON: Well, that is all for the moment, Mr. Commissioner. We may want this witness back.

THE COMMISSIONER: I think we probably will.

Any questions?

EXAMINED BY MR. HOGG:

Q. Mr. Pitts, are you married?

A. I am married, yes, sir.

Q. Any children?

A. I have two boys.

Q. How oldare they?

A. One is twelve, and one is fourteen years old.

Q. Supporting them?

A. Yes, sir.

THE COMMISSIONER: What is your address in Windsor?

A. 1207 Aubin Road.

Q. 1007 what?

A. Aubin Road.

Q. A-u-b-in?

A. Yes, sir.

MR.HOGG: Q. Is your wife alive?

A. Yes, sir.

Q. Living with her?

A. No, sir.

THE COMMISSIONER: Q. Separated from your wife?

A. Divorced from my wife.

Q. You are divorced from her?

A. Yes, sir.

MR. HOGG: Q. You see your children?

A. I take care of my children myself.

Q. You do?



A. Yes.

THE COMMISSIONER: Q. Do they live with you or her?

A. They live with me.

MR. SCOTT: Q. Now, have you told anyone that you saw Staff Sergeant Macaulay of the R.C.M.P.?

A. I don't understand your question, sir.

Q. Sergeant Macaulay asked you some questions, and took some notes which Mr. Wilson has indicated on April 16th.

A. Yes, sir.

Q. Now, since that date, have you told anyone that he interviewed you?

A. No, sir, not that I can recall talking about it.

Q. You told no one?

A. No one that I can remember.

Q. Other than I think ---

A. I know I told nobody, because he came to see me after this Robitaille came to see me.

Q. I am not talking -- did you tell anybody about the subpoena?

A. You are talking about me telling anybody?

Q. Anybody that a Mountie saw you?

A. No, sir. I never told anybody a Mountie saw me. I imagine it was well known,

because he come to the Seminole Hotel where I worked, and there were many people that saw him.

Q. That would be well known?

A. Yes, sir.

Q. Then other people would know that an R.C.M.P. officer had spoken to you?

A. Well, sir, all the people that were in the Seminole house at the time had recognized Sergeant Macaulay.

Q. Now, has anyone directly or indirectly threatened you in any way? Has any rumour even reached you that it would be too bad for you if you got in here --

A. No, sir. Nobody has threatened me, or any other way.

Q. Or threatened your family or your boys?

A. No, sir.

Q. Are you concerned with what might happen to them?

A. Nothing is going to happen to them along as I am with them.

Q. Nothing is going to happen as long as what?

A. As I am with them.

Q. As long as you are with them?

A. That is right.

Q. But if you were out of the picture, you would be quite concerned about them?

A. Yes, sir, I would be quite concerned.

Q. And have you some concern, perhaps not for yourself, but for your children, if you were removed, or if something happened to you?

A. I can't see any reason for my being removed, so I can't.

Q. Or something happening to you?

A. Well, if anything happened to me my children would be taken care of. My mother and dad will take care of them.

Q. You are not frightened?

A. No, sir, I am not frightened.

Q. Sergeant Macaulay took notes when he was talking to you?

A. Yes, sir. I imagine he was taking notes. There were two police officers at the same time. I was talking to both of them.

Q. There were two there?

A. Yes, sir.

THE COMMISSIONER: Q. How many were present when Robitaille ——

A. Just him and I in a car.

Q. In a car?

A. Yes, sir. He picked me up in a police car.

Q. Yes.

MR. HOGG: Q. Wasn't Sergeant Macaulay very careful in recording down what you were

saying?

A. Sir, I made no statements to Sergeant Macaulay actually. I told him what I assumed went on, and other deals, other than why the club had been closed, and that. I didn't have any attention for him to be writing that down. That is why I didn't sign it. Nothing was said. You can even have a slip of the tongue, or nothing that is really meant. That is why I --

Q. Well, are you saying this is a slip of the tongue?

A. No, sir.

Q. That you didn't mean it?

A. No, sir. There was no slip of the tongue as far as I am concerned, or remember. I said it could have been a slip of the tongue.

Q. About him writing down notes?

A. Well, as far as the notes were concerned, I didn't sign any notes to any statement that I made.

Q. Nothing been conveyed to you by gesture or by word by anyone that you better not come up here, and talk?

A. No, sir.

Q. How is it you could hear the word "Joe"?

A. Pardon?

Q. How is it you could hear the word

"Joe"? Because I don't suppose you could deny that? Macaulay didn't make that up out of his own head.

A. No, sir. I am not denying it.

Q. Just a minute. How can you testify that you just heard the word "Joe", and yet didn't hear any other part of the conversation?

A. Well, I don't know who he was talking to, the man on the phone, or who he was talking to on the chesterfield. He might have been speaking in a whisper. All I can say, he said, "Okay, Joe" and he came out and talked to me.

Q. Now, when you were a steward at this club there would be some nights that it would not be open, is that right?

A. It was open every night that I worked there, sir, except Sunday, yes.

Q. Did it close early on any occasions?

A. Some nights it closed early, some nights it closed late.

Q. Well, would it close before the gambling operation took place, or shortly thereafter on some occasions?

THE COMMISSIONER: Q. Did it close before the gambling operations took place?

A. What do you mean?

MR.HOGG: Q. Well, would the club open up, and then for some unexplained reason would

everyone decide to call it quits, close upX the place?

A. No, sir. I never seen it that way.

Q. On any occasions were you given instructions to turn everybody away?

A. No, sir.

Q. It is your evidence that on no occasion did you say the place is closed up tonight, nothing is going on?

A. I am sorry. After the raid, and the place was closed, I sat in there and a few people came to the door.

Q. No, no, before the final raid.

A. Oh, no, sir.

Q. Did you ever see Joe McDermott?

A. I don't know him by name. I saw a lot of people.

Q. How many weeks did you work before the raid? The final raid?

A. I think Iworked from, I guess, close to the end of April, to November. I didn't keep an exact count of the weeks I worked.

THE COMMISSIONER: Q. And were you paid cash?

A. Yes, sir. Every night I was paid cash.

MR. HOGG: Q. Who paid you?

A. Mr. Gardner.

THE COMMISSIONER: Q. American money, or

Canadian money?

A. American money, sir.

MR. HOGG: Q. Have you been over in Detroit since April the 19th?

A. Of this year?

Q. Yes.

A. Yes, sir. I have been over there a few times.

Q. Have you met anybody over there that you saw at the club?

A. No, sir.

Q. Does the name Earl Atwood mean anything to you?

A. I am not sure, sir. I think that is the one that testified against the club, or hisbrother. I am not positive that is the name.

Q. Did you ever see this man Earl Atwood in the club? The one that was murdered?

A. No, sir. I didn't work there at that time.

MR. HOGG: Perhaps, Mr. Commissioner, you could take that under advisement. As I say, I would like to make the request for them, but it is by no means a formal demand, for the reasons indicated.

THE COMMISSIONER: Well, I say I heard your application.

Mr. Rose, any questions?

MR. ROSE: Yes.

EXAMINED BY MR. ROSE:

Q. I wonder, Mr. Pitts, you were employed by the club only about six or seven weeks before the night of that final raid?

A. I think it was a little longer than that, sir. I say I cannot state definitely the amount of time. It seemed to me it was around four or five months.

Q. It seemed to you around four or five months?

A. Yes, sir.

Q. And when Sergeant Macaulay was questioning you, where did this questioning take place?

A. In the Windsor police station one time, and they visited my home the other time.

Q. Did any questioning ever take place at the place of your employer? Was it the Seminole Hotel?

A. No, sir. They came in there, and took me out of there, and took me down to the police station.

Q. Was that the first time?

A. Yes, sir.

Q. Who took you out of there?

A. Sergeant Macaulay and four Windsor police officers, and Sergeant Macaulay.

Q. I don't imagine they took you you

out of there, I imagine they asked you politely to come with them?

A. Yes, sir. I thought that is what you meant when you said it.

Q. And they took you to the Windsor police station?

A. Yes, sir.

Q. And you were questioned there?

A. Yes, sir.

Q. By how many people?

A. Two police officers.

Q. Sergeant Macaulay?

A. Yes, sir.

Q. And who else?

A. And another R.C.M.P. officer. I don't know who he was.

Q. And for how long?

A. Around an hour and a half.

Q. And the next place they questioned you was at your house?

A. Yes, and it wasn't actually pertaining to questioning. I mean, they came there and asked me about things, and it was no more than about 15 minutes.

(Page 10890 follows)

Q. Was it the same people? Two R.C.M.P. officers?

A. Yes.

Q. Sergeant Macaulay, what was the other gentleman's name?

A. I don't know his name, sir.

Q. Do you know Bob Gardner, Frank Gardner's brother?

A. Yes, sir. I worked with him before I went to the club.

Q. In talking about these periods of questions, was the name Mickey McGroarty ever mentioned to you?

A. I can't answer that. There were a lot of men's names mentioned since, and I don't know that. I don't recall that now.

Q. Do you know the name Mickey McGroarty?

A. No, sir.

Q. Have you been following these proceedings of the Royal Commission in the newspapers?

A. Yes, I have read it.

Q. Do you ever recall there was a witness here named Mickey McGroarty from St. Catharines?

A. No, sir, I don't recall that.

Q. I will just try to refresh your memory, if I can. He gave evidence he had been wired for sound by certain police

officers in conversation with a gentleman named Sammy Balsom.

A. No, sir, I can't recall.

Q. You can't recall that?

A. No, sir.

Q. And the name means nothing to you at all?

A. No, sir.

Q. Then the name Gardner mentioned, you said he said, "O.K., Joe"; you are sure it was Joe?

A. Yes, sir, that was the name.

MR. ROSE: That was the name. O.K., Joe. I see, thank you.

EXAMINED BY MR. WILSON:

Q. Well, Mr. Commissioner, a few more questions.

Did you have lunch to-day with Constable Crowley of the Ontario Provincial Police?

A. Yes, sir.

Q. And did you tell him at lunch there were several occasions on which you knew at the club that the police were coming? This is to-day, you remember.

A. No, sir, I didn't say that.

THE COMMISSIONER: What is his name? Police Constable whom?

MR. WILSON: Constable Crowley.

Q. You deny that at lunch to-day you told him that?

A. All I said, that they probably knew sometimes that the police were coming.

Q. You say probably. You are denying that you told him there were several occasions on which you knew the police were coming?

A. I am denying that I said what I knew, yes, sir. That is right. I said they probably knew.

THE COMMISSIONER: Why? Why did you put it that way to him, they probably knew? Why did you think they probably knew?

A. Well, that is from general conversation that went on there after I was hired.

Q. Yes?

A. I mean I am not saying that they did know, or I am not saying they didn't, I am just saying the general conversation among the employees there, thatthey did know ahead of time.

MR. WILSON: Q. Now, did you tell your sister, Mrs. Cmatto, that you were going to be a witness here?

A. I told her I was. I told her I

was to appear before this Commission.

Q. What is her name now?

A. Mrs. Joyce Hughson.

Q. Yes. Well, she is a friend of Ernie Omatto. That is where I probably got confused.

A. I dont think this is any business of this court what my sister is, or what she does.

Q. Well, Ernie Omatto, who is now in Kingston Penitentiary, was one of your associates at the -- in the operation at the club, wasn't he?

A. That is right, sir.

Q. Yes, and what did your sister advise you about the evidence you were to give here?

A. My sister didn't advise me on anything. I just had a conversation with her over a cup of tea, and told her I would be out of town for a couple of days, and watch the boys.

THE COMMISSIONER: And what?

A. Watching two sons while I was gone.

MR. WILSON: Now, before you gave your evidence to-day, Sergeant Macaulay wrote out in longhand the substance of the statement you had given him, for you to read over, and I show it to you.

A. I already seen it, sir.

Q. Yes. You -- well, all right, just look at it, and tell me whether you read it over before you came in here this afternoon to give your evidence?

A. Yes, sir, I did.

Q. And am I right in saying that the only comment you made to Sergeant Macaulay after you read it over was that you didn't see Joe on the telephone?

A. See Joe on the telephone?

Q. Yes.

A. Why would I say anything about seeing Joe on the telephone, when I didn't see a Joe.

Q. You just tell us, then, if you didn't say that, what you did say when you read it over, to Sergeant Macaulay?

A. I said as far as I was concerned at the time I didn't know whether Gardner had been talking to somebody on the phone named Joe, or somebody sitting on the couch, and I said I wasn't going to go in the court and talk about something I wasn't positive happened, and I told him that along with the whole statement.

Q. Apart from that, did you question anything else about the document that you have in your hand?

A. No, sir. I think the statement

that I made to him was that nothing was compromised or anything else. I wasn't going to repeat in court, because I didn't know for positive it did happen, or didn't happen, and I am not going to say ---

Q. But you didn't tell him anything he had written down as being the statement made by you on April the 16th were incorrect, did you?

A. No, sir, I didn't.

Q. No?

A. I am not testifying in front of him.

THE COMMISSIONER: What? What have you just said?

A. I said I wasn't testifying in front of him, sir, when I was talking.

THE COMMISSIONER: Oh, I see.

MR. WILSON: Then, shall we mark that, Mr. Commissioner, as Exhibit No. -- whatever number we have got to?

THE REGISTRAR: 263.

---EXHIBIT NO. 263: Statement of Arnold Pitts to Sergeant Macaulay dated April 12, 1962.

MR. WILSON: I think that is all for to-day.

THE COMMISSIONER: Do you want this witness here to-morrow?

MR. WILSON: Mr. Commissioner, I think we better give him a chance to think overnight

what he has said here to-day, and decide to-morrow whether he wants to -- whether we want to call him again.

THE WITNESS: I will have nothing to say to-morrow, sir. I have answered all your questions to-day. I have to get back to take care of my children, unless you delay me here in Toronto.

THE COMMISSIONER: Unless what?

A. Unless you -- I have got my children with a woman, and I told her that I would be back to-night.

Q. Are they in safe hands while you are here?

A. Well, if I call them, sir, yes. The woman that is taking care of them now is quite capable.

Q. You better tell her. Telephone her and tell her you won't be back to-night.

A. Are you going to hold me here?

Q. No, I am not going to hold you.

A. Then, I am going back home, and I am staying with my children. I don't want them any more distraught than they are now.

Q. We are not going to arrest you if that is what you had in mind.

A. Well, sir, I have come down here to-day, and lost a day's work, and everything else. I was told I would be back this afternoon.

Q. We may want you down here later. Would you be available?

A. Yes, sir, any time you want to call me.

Q. I see. All right, we will see about that.

MR. WILSON: All right. That is all for to-day.

THE COMMISSIONER: That is all.

---Whereupon the hearing adjourned at 5:03 p.m. until Thursday, September 27, 1962, at 10.00 a.m.



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